

WISCONSIN STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2024

Update

- In February 2024, China Tech Threat (CTT) accessed [OpenBook Wisconsin](#).
- The portal reported that since CTT's last report, the state of Wisconsin spent an additional \$389,027 in 2024 and \$616,772 in 2023 on restricted Chinese technology from Lenovo, Inc. There were no additional reported purchases of Lexmark, Inc. technology.
- Factoring in the updated numbers, the state of Wisconsin spent a combined \$5,757,169 on restricted Chinese technology from Lenovo, Inc. and Lexmark, Inc. between 2018 and 2024.

Recent Progress

- In February 2024, Representative Alex Dallman and Senator Pat Testin [Senate Bill 1000](#), which prohibit any public entity from contracting with certain prohibited business entities, including companies owned or operated by the Chinese government. No public entity can enter into a contract or transfer funds for information or technology with such entities.

The Problem

- Chinese government-owned technology manufacturers Lenovo and Lexmark have been restricted from U.S. military and intelligence agencies due to their connection to the Chinese government and military. While federal policy directs information security at the federal level, states must determine their own security standards making states vulnerable to intrusion through the purchase of these risky Chinese technology products. For more detail on these two manufacturers and others, see our briefing paper at www.StatesStopChinaTech.com.

The Process

- In January 2023, CTT obtained Wisconsin's detailed financial records of payments to Lexmark and Lenovo, showing payment amounts, dates and check numbers, payor agencies or departments, and descriptions of services through OpenBook Wisconsin, administered by the Division of Executive Budget and Finance and made available to improve transparency (see CTT's prior [Fact Sheet](#), dated February 2023).

- However, purchases of restricted technology through third-party resellers, which can be significant, are not yet captured in our research. For example, the National Association of State Procurement Officers identifies the following [qualified resellers](#) in Wisconsin: Insight, Vanguard, and BusinessIT Source. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.
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Lenovo

UPDATE: In 2024, \$389,027 of Lenovo technology purchased, including:

- University of Wisconsin System: \$200,252
- Supreme Court: \$149,742
- Select purchases by the Department of Transportation and the Department of Employee Trust Funds

UPDATE: In 2023, \$1,843,468 of Lenovo technology purchased, including:

- Supreme Court: \$1,448,650
- University of Wisconsin System: \$292,084
- Select purchases by the Economic Development Corporation and the Department of Veterans Affairs

In 2022, \$1,211,333 of Lenovo technology purchased, including:

- Supreme Court: \$995,444
- Department of Corrections: \$8,915
- Select purchases by the Department of Revenue

In 2021, \$1,150,890 of Lenovo technology purchased, including:

- Supreme Court: \$952,572

In 2019, \$484,126 of Lenovo technology purchased, including:

- Supreme Court: \$258,093
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Lexmark

In 2020, \$27,866 of Lexmark technology purchased:

- The Department of Health Services

In 2019, \$13,933 of Lexmark technology purchased:

- The Department of Health Services

In 2018, \$636,526 of Lexmark technology purchased, including:

- The University of Wisconsin System: \$608,661
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