Kansas HB 2313 Michael Lucci State Armor Founder and CEO

## DeepSeek Poses Risks to State Governments and Kansas Users

My name is Michael Lucci. I am the founder and CEO of State Armor. Our purpose is to work with state policymakers to secure states against foreign adversaries. We support HB 2313, which would prohibit DeepSeek and other foreign adversary controlled artificial intelligence platforms from use on state devices.

There are three primary reasons we support this legislation. First, use of foreign adversary applications presents an unacceptable risk for state data. Second, state legislation helps warn a state's citizens about the risks of adversary technology. Third, state policy efforts can act as the "canary in the coal mine" to bring attention to security issues that must be addressed by the federal government.

User data stored in China is effectively property of the Chinese Communist Party. This is not speculation, it is a matter of Chinese law. China's 2017 National Intelligence Law requires any Chinese entity to provide any data it collects to the PRC government. DeepSeek's data collection policies explicitly state that user inputs, including text and audio, are stored on servers located in China. This presents an unacceptable risk to state government data, which would effectively be handed over to Beijing by allowing this application on state devices.

It's unlikely that there is any real cure to this data security problem for any Chinese company. Indeed, in the last month the federal government (FDA, CISA) has put out advisories that certain healthcare monitors send all the data they collect back to China, in violation of multiple state and federal laws.<sup>2</sup> These monitors are undoubtedly present in Kansas healthcare facilities. DHS has also warned that 12,000 cameras connected to critical infrastructure also provide Beijing with surveillance capabilities.<sup>3</sup> There has been an endless flow of similar stories. Installing DeepSeek and other CCP-controlled apps would scale similar data risks across the entire state government.

Next, Kansas' government can provide a warning to Kansans about the risk of technologies that are controlled by a foreign adversary. The best way to lead on this front is to lead by example by enacting HB 2313 and communicating the concerns that led to this legislation.

Finally, state leadership can catalyze essential federal action. Once it became clear that Tik Tok constituted a national security threat, the majority of states prohibited use of Tik Tok on state devices, and one state, Montana, even attempted to ban Tik Tok in the entire state. In Kansas,

<sup>&</sup>lt;sup>1</sup> https://www.dhs.gov/sites/default/files/publications/20\_1222\_data-security-business-advisory.pdf

<sup>&</sup>lt;sup>2</sup> https://www.cisa.gov/resources-tools/resources/contec-cms8000-contains-backdoor

<sup>&</sup>lt;sup>3</sup> https://industrialcyber.co/cisa/dhs-warns-chinese-made-internet-cameras-pose-espionage-threat-to-us-critical-

infrastructure/#:~:text=The%20DHS%20document%20noted%20that,entities%20as%20of%20early%20202 4.

Tik Tok was banned on state devices by Executive Order #22-10, issued on December 28, 2022.<sup>4</sup> This state legislative activity helped bolster federal legislation.

Two Chinese apps have recently soared in popularity in the United States. One is DeepSeek, from the Chinese artificial intelligence (AI) startup of the same name, and the other is RedNote, from *Xiaohongshu* (literally, "Little Red Book"), a Chinese social media company.

The governors of Texas, Florida, New York, Virginia and other states have banned DeepSeek on state devices by executive order, showing the bipartisan concern over these technologies. Furthermore, the federal legislation enacted to require Tik Tok divest from its parent company, ByteDance, would presumably cover these applications. In the meantime, all 50 states should protect state cybersecurity by prohibiting DeepSeek and other foreign adversary-controlled applications on government devices.

All the same risks that Tik Tok presented apply here with DeepSeek. The same security analysis requires the same action. That is why we support Kansas taking action to protect the state government from DeepSeek and other AI tools controlled by foreign adversaries.

 $<sup>^4</sup>$  https://content.govdelivery.com/attachments/KSOG/2022/12/28/file\_attachments/2365344/EO%2022-10%20TikTok%20Ban%20-%20Signed%20&%20Filed.pdf