



# **2018 LOS ALAMOS COUNTY (FY19) FEDERAL AGENDA PRIORITY ISSUES**

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## **2018 LOS ALAMOS COUNTY (FY19) FEDERAL AGENDA PRIORITY ISSUES**

The following are the 2018 top priorities for the Incorporated County of Los Alamos, New Mexico (the “County”):

- ❖ NNSA Must Take Into Account the Potential Negative Impacts to the State of NM and County When Awarding the LANL Management Contract
- ❖ Fully Fund National Security And Science at Los Alamos National Laboratory (“LANL”) including the Plutonium Pit Mission
- ❖ Fund \$229 Million for Environmental Cleanup Funding at LANL
- ❖ Manhattan Project National Historical Park Funding - Add Tunnel Vault Site to and Fund Implementation

### **I. NNSA Must Take Into Account the Potential Negative Impacts to the State of NM and County When Awarding the LANL Management Contract**

NNSA’s contracting decisions at LANL can negatively impact LANL operations, the County and the State of New Mexico if NNSA selects an entity that is exempt from a majority of State taxes to operate LANL when the management contract expires in September 2018. Department of Energy (“DOE”)/National Nuclear Security Administration (“NNSA”) expects to award the new contract in FY 2019.

LANL has been a major economic driver for the state of New Mexico as one of the biggest employers in the County and the region. The current LANL contractor, as a for-profit management consortium, currently contributes approximately \$80 million in annual tax revenues to the County and State of New Mexico (“State”). These tax revenues are necessary to support public services in the County, such as funding for schools, transportation and infrastructure, and public safety, including fire and police services—all which benefit LANL in its recruitment and retention of employees and its operations of the site.

A taxable structure must be given priority for managing the lab. A tax-exempt structure for LANL would negatively affect the State and County, negatively impact the LANL mission and increase the costs of operating LANL, lead to large layoffs, and create an adverse effect on job retention, economic opportunities, and services for LANL and the entire Northern New Mexico region.

### **II. Fully Fund National Security and Science at Los Alamos National Laboratory (“LANL”) including the Plutonium Pit Mission**

LANL is the top national defense laboratory in the country and provides a key role for our national defense. The plan to move a multi-billion critical piece of the nation’s defense –

Nuclear Weapons Pit Production<sup>1</sup> - *for political reasons only* is misguided and will cost the country tens of billions of dollars and will negatively impact our defenses. There are easier ways to mitigate the impact of not moving forward with MOX in South Carolina than to create a new multi-billion dollar facility while attempting to relocate the engineers and highly trained professionals that actually manufacture the pits across the country, and hope that NNSA can actually get the facility up and running within a ten (10) year time frame. The plan is a misguided path to push a key piece of our national defense backwards. Further, moving this key national defense function and not investing in New Mexico while asking our State to accept the movement of more nuclear waste from South Carolina to New Mexico is an interesting strategy for the Department of Energy. We ask NNSA and DOE to make this decision quickly as it will impact national defense.

As a key piece of America's scientific and defense infrastructure, LANL must be funded to support and enhance its scientific vitality, long-term sustainability, and safe operation. LANL's scientific expertise is a common foundation for both its traditional nuclear security missions and its contributions to other crucial and complex national technical challenges.

Congress must recognize that ensuring funding for the lab will have a profound impact on the important work that comes out of LANL in meeting our nation's national security mission. Congress must also recognize that investing in the modernization of LANL means the creation of new jobs in northern New Mexico.

NNSA approved LANL's modular approach to plutonium manufacturing. This approach replaced the suspended Chemistry Metallurgy and Research Replacement (CMRR) program and provides NNSA with "high-hazard, high-security laboratory space" for LANL's plutonium operations with separate, less expensive facilities. The project is expected to be completed between 2025 and 2027 with costs estimating between \$1.3 billion and \$3 billion. Moving this mission would cost tens of billions of dollars.

The Administration must request funds for continuing LANL's modernization project for FY 2019 and create a path forward for the plutonium management approach project. Congress should appropriate funds to successfully support the project. Further delays impact our national defense. LANL modernization must continue and should be fully funded.

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<sup>1</sup> The National Defense Authorization Act for Fiscal Year 2018 requires the Administration to justify consideration of shifting LANL's plutonium capabilities prior to moving the capability to any location other than Los Alamos (Sec. 3141). The language will require NNSA to disclose the actual cost of any potential movement of the mission. The provision also states that, "if by 150 days after the date of enactment of this Act the Administrator has not yet identified the preferred alternative or if the Chairman of the Nuclear Weapons Council has not provided the required certification that the chosen alternative meets the criteria as laid out, the Administrator shall carry out the modular building strategy (as defined in section 3114(c)(3) of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239)) at Los Alamos National Laboratory."

### **III. Fund \$229 Million for Environmental Cleanup Funding at LANL**

The Administration should request and Congress should **appropriate \$229,000,000 for environmental cleanup at LANL** – the level of cleanup funding required to address human health and the environment and State legal agreements.

Recent Congressional appropriations and DOE's budget requests have not been adequate to achieve cleanup goals and address health and environmental concerns. Environmental cleanup at LANL is still in flux and has faced significant challenges in the last few years. DOE's cost analysis has identified nearly \$4 billion in cleanup needs at over 955 sites.

The County's goal is for DOE/NNSA/LANL to return to the successes that the program enjoyed for several years – when adequate cleanup funding was available.

For several years New Mexico's Congressional Delegation and NMED have clearly identified that DOE needs to provide at least \$229,000,000 in cleanup funding for LANL. This amount would continue to facilitate cleanup that is protective of human health and the environment. The Administration should request and Congress should appropriate sufficient funding in FY 2019 for DOE to meet its legal requirements for cleanup at LANL.

Further, cleanup funding is critical to implement land transfer activities in Los Alamos. The land transfer activities have contributed significantly to the economy and have saved DOE cleanup and maintenance funds.

Funding should also continue to be provided to support the Regional Coalition of LANL Communities. The group has educated and engaged local and pueblo government leaders around Northern New Mexico in environmental cleanup to a level never achieved by any other program. The organization is critical to the cleanup at LANL.

### **IV. Manhattan Project National Historical Park Funding – Add the Tunnel Site as an Eligible Site**

The County requests continued support for the Park in appropriations from both DOI and DOE. It is important for DOE and DOI to continue to work together and to include the County (along with Oak Ridge and the Hanford communities) in discussions regarding the development and implementation of the general management plan. A total of \$30 million should be appropriated to support the three Manhattan Project National Historical Park communities.

In 2015, the National Park Service established the Manhattan Project National Historical Park. DOE and the Department of the Interior (DOI) are now working together to ensure the Park's implementation.

At this moment, the Manhattan Project National Historical Park does not include access to the Tunnel Vault located in Los Alamos canyon – an important Cold War era facility. The County asks that Congress amend the Manhattan Project National Historical Park statute 16

U.S.C. § 410uuu to include the Tunnel Vault, located in Los Alamos canyon at Technical Area 41. The proposed amendment language is set forth below:

**SEC. \_\_. AMENDING THE MANHATTAN PROJECT NATIONAL HISTORICAL PARK.**

*16 U.S.C. § 410uuu is amended by adding the following as subparagraph (c)(2)(B)(iv):*

*“(iv) the Tunnel Vault, located in Los Alamos canyon, at Technical Area 41.”*

Proposed Conference Report Language:

*This amendment would reserve and make the Tunnel Vault, located at Los Alamos canyon, at Technical Area 41 eligible for access under the Manhattan Project National Historical Park and provide visitors access to a Cold War era facility from the Los Alamos community.*

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