

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE MEMORIAL 79

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

Stephanie Garcia Richard

A MEMORIAL

REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT, THE WORKFORCE SOLUTIONS DEPARTMENT, THE CONSORTIUM OF MAJOR LOS ALAMOS NATIONAL LABORATORY SUBCONTRACTORS, THE REGIONAL DEVELOPMENT CORPORATION, THE REGIONAL COALITION OF LANL COMMUNITIES AND THE COUNTY, MUNICIPAL AND TRIBAL GOVERNMENTS OF NORTH CENTRAL NEW MEXICO TO COORDINATE EFFORTS IN SUPPORT OF MAINTAINING AND INCREASING LOCAL BUSINESS PROCUREMENT BY FEDERAL INSTITUTIONS.

WHEREAS, effective economic planning on behalf of New Mexico residents requires a strategic collaboration by the state of New Mexico, the state's vital institutions, the private sector, local municipalities and counties and Indian tribes, pueblos and nations; and

WHEREAS, Los Alamos national laboratory, also known as LANL, is a major economic driver throughout New Mexico, having

underscoring material = new
~~[bracketed material]~~ = delete

underscoring material = new
[bracketed material] = delete

1 a direct impact upon the economies of New Mexico's local
2 communities; and

3 WHEREAS, many local businesses benefit from contracts with
4 Los Alamos national laboratory and its major subcontractors,
5 which has a positive impact upon local economies, increasing
6 the state's tax base and directly employing thousands of people
7 in communities throughout New Mexico; and

8 WHEREAS, the consortium of major Los Alamos national
9 laboratory subcontractors is an organization made up of all Los
10 Alamos national laboratory subcontractors with contracts of
11 five million dollars (\$5,000,000) or more; and

12 WHEREAS, the consortium of major Los Alamos national
13 laboratory subcontractors generates hundreds of millions of
14 dollars in annual revenues, expands the state's tax base and
15 employs thousands of New Mexico residents; and

16 WHEREAS, each company that seeks membership in the
17 consortium of major Los Alamos national laboratory
18 subcontractors is required to maintain local facilities and
19 implement a community development plan that supports community
20 education and economic development in northern New Mexico; and

21 WHEREAS, over the past four years, the consortium of major
22 Los Alamos national laboratory subcontractors membership has
23 directly contributed over thirteen million dollars
24 (\$13,000,000) of funding and services to northern New Mexico
25 communities and nonprofit organizations. Among many other

.196806.1

underscored material = new
~~[bracketed material] = delete~~

1 contributions, the consortium of major Los Alamos national
2 laboratory subcontractors has:

3 A. provided schools with equipment and resources
4 for students in need;

5 B. provided computers and training to local youth
6 organizations;

7 C. rebuilt acequias for local farmers; and

8 D. provided heavy earthmoving equipment to flood-
9 ravaged pueblos; and

10 WHEREAS, the membership of the consortium of major Los
11 Alamos national laboratory subcontractors contributes funds to
12 and administers a grant pool that has provided over four
13 hundred thousand dollars (\$400,000) in grants to dozens of
14 economic development projects with local nonprofit
15 organizations and local governments, including eighty thousand
16 dollars (\$80,000) in grants awarded in 2013 to organizations
17 throughout northern New Mexico; and

18 WHEREAS, the national nuclear security administration,
19 which oversees Los Alamos national laboratory and other
20 national laboratories, has implemented a policy directing the
21 national laboratory and other national nuclear security
22 administration facilities to utilize its supply chain
23 management center for out-of-state commodities purchases; and

24 WHEREAS, the policy of using the supply chain management
25 center bypasses the traditional procurement process and drives

.196806.1

underscored material = new
~~[bracketed material] = delete~~

1 Los Alamos national laboratory to purchase from out-of-state
2 firms and away from regional contractors; and

3 WHEREAS, the national nuclear security administration has
4 established specific performance targets for commodities
5 purchases through the supply chain management center system for
6 Los Alamos national laboratory and each of the other national
7 nuclear security administration sites; and

8 WHEREAS, the national nuclear security administration has
9 publicly confirmed that the utilization of its supply chain
10 management center is scheduled to expand, thereby directing
11 even more funds away from New Mexico subcontractors; and

12 WHEREAS, the out-of-state firms contracted through the
13 supply chain management center do not employ New Mexico
14 residents, nor do they pay gross receipts tax to local
15 communities or implement community development plans that
16 benefit the economy of New Mexico; and

17 WHEREAS, the supply chain management center system
18 institutes a significant competitive advantage to out-of-state
19 suppliers by allowing them to circumvent the additional
20 requirements placed on local contractors, including maintaining
21 local facilities, participation and funding of a community
22 development plan and payment of local gross receipts tax; and

23 WHEREAS, increased use of the supply chain management
24 center by Los Alamos national laboratory is likely to result in
25 a significant loss of jobs in New Mexico, reduced investment by

.196806.1

underscored material = new
~~[bracketed material] = delete~~

1 the members of the consortium of major Los Alamos national
2 laboratory subcontractors and an overall loss to the regional
3 economy of northern New Mexico;

4 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
5 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic
6 development department, the workforce solutions department, the
7 regional development corporation, the regional coalition of
8 LANL communities and representatives of county and municipal
9 and tribal governments of north central New Mexico be requested
10 to work with the consortium of major Los Alamos national
11 laboratory subcontractors to study the prospective impact of
12 the national nuclear security administration's requirements for
13 using its supply chain management center system and identify
14 strategies to mitigate the impact on local New Mexico
15 businesses; and

16 BE IT FURTHER RESOLVED that the New Mexico congressional
17 delegation be requested to support efforts by state and local
18 stakeholders to maintain and increase local business
19 procurement by federal department of energy institutions; and

20 BE IT FURTHER RESOLVED that copies of this memorial be
21 transmitted to Senator Tom Udall, Senator Martin Heinrich,
22 Congressman Ben Ray Lujan, Congressman Steve Pearce,
23 Congresswoman Michelle Lujan Grisham, the secretary of economic
24 development, the secretary of workforce solutions, the
25 consortium of major Los Alamos national laboratory

.196806.1

underscoring material = new
~~[bracketed material]~~ = delete

1 subcontractors, the regional development corporation, the
2 regional coalition of LANL communities, the boards of county
3 commissioners of Rio Arriba, Santa Fe and Taos counties, the
4 county council of Los Alamos, the mayor of the city of
5 Espanola, the mayor of the city of Santa Fe, the mayor of the
6 village of Chama, the mayor of the town of Taos and the
7 governors of the Pueblos of Cochiti, Jemez, Kewa, Nambe, San
8 Ildefonso, Santa Clara, Picuris, Pojoaque, Taos and Tesuque.

9 - 6 -

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

.196806.1