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HOUSE MEMORIAL 36

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

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A MEMORIAL

REQUESTING THAT ANY TAXATION TASK FORCE CONVENED IN 2023 BY THE GOVERNOR OR THE LEGISLATURE BE REQUESTED TO RESEARCH AND DEVELOP LEGISLATIVE RECOMMENDATIONS AND ALTERNATIVES THAT CAN PROMOTE MORE EQUITABLE REGIONAL TAX DISTRIBUTIONS FROM LOS ALAMOS NATIONAL LABORATORY OR SIMILAR FEDERAL RESEARCH FACILITIES IN NEW MEXICO.

WHEREAS, New Mexico has been at the forefront of scientific endeavors for eighty years and has achieved recognition as the home of one of the finest multi-program scientific research laboratories in the world; and

WHEREAS, these research laboratories have made an enormous contribution to the safety and national security of the United States; and

WHEREAS, New Mexico's national laboratories continue to

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1 spur innovation and industrial applications that benefit the
2 nation and private industry; and

3 WHEREAS, these federal institutions recruit and employ a
4 significant portion of their workforce from New Mexico's higher
5 education institutions; and

6 WHEREAS, in 2022, Los Alamos national laboratory annually
7 purchased more than nine hundred fifteen million dollars
8 (\$915,000,000) in goods and services from suppliers in the
9 state; and

10 WHEREAS, Los Alamos national laboratory contracts awarded
11 to New Mexico small businesses totaled more than six hundred
12 thirteen million dollars (\$613,000,000) in 2022; and

13 WHEREAS, Los Alamos national laboratory employs more than
14 fourteen thousand employees, mostly from northern New Mexico;
15 and

16 WHEREAS, Los Alamos national laboratory is crucial to New
17 Mexico's economic health, paying more than one billion five
18 hundred million dollars (\$1,500,000,000) in salaries, which has
19 a direct impact on the state's economy each year; and

20 WHEREAS, Los Alamos national laboratory's operations and
21 construction have resulted in more than one hundred thirty-six
22 million dollars (\$136,000,000) in gross receipts tax revenues
23 paid in 2022; and

24 WHEREAS, Los Alamos national laboratory was founded in
25 secrecy at a remote location during World War II, and northern

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1 New Mexico communities and residents built and have maintained
2 the facilities since its inception and are an indispensable
3 component of the current workforce; and

4 WHEREAS, the majority of Los Alamos national laboratory
5 employees live outside of Los Alamos county, with approximately
6 fifty-five percent of laboratory employees residing in the
7 surrounding counties, and the operations of the laboratory
8 impact all of northern New Mexico; and

9 WHEREAS, legislation has been enacted to tax Los Alamos
10 national laboratory, regardless of whether the laboratory were
11 to become a nonprofit entity; and

12 WHEREAS, the local revenue distribution from the Los
13 Alamos national laboratory gross receipts tax currently paid to
14 the state greatly benefits Los Alamos county and does not
15 benefit the rest of northern New Mexico; and

16 WHEREAS, the communities outside Los Alamos county
17 contribute greatly to the success of Los Alamos national
18 laboratory; and

19 WHEREAS, the importance of equitable regional tax
20 distribution on communities and workforces outside Los Alamos
21 county must continue to be examined;

22 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
23 REPRESENTATIVES OF THE STATE OF NEW MEXICO that any taxation
24 task force convened in 2023 by the governor or the legislature
25 be requested to research and develop legislative

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1 recommendations and alternatives that can promote more
2 equitable regional tax distributions from Los Alamos national
3 laboratory or similar federal research facilities in New
4 Mexico; and

5 BE IT FURTHER RESOLVED that the legislative finance
6 committee and the revenue stabilization and tax policy
7 committee be requested to study the issue in the event no
8 taxation task force is commissioned in 2023; and

9 BE IT FURTHER RESOLVED that copies of this memorial be
10 transmitted to the members of the New Mexico congressional
11 delegation, the United States secretary of energy, the director
12 of Los Alamos national laboratory, the director of Sandia
13 national laboratories, the governor and the co-chairs of the
14 New Mexico legislative council.