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FISCAL IMPACT REPORT

ORIGINAL DATE 3/2/2007

SPONSOR Cisneros LAST UPDATED _____ HB _____

SHORT TITLE Mitigation of LANL Downsizing Impact SJM 49

ANALYST Schuss

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 49 urges the reestablishment of federal funding and support to help mitigate the negative economic impacts caused by downsizing at Los Alamos National Laboratory and help build a diverse, sustainable economy in North Central New Mexico.

SIGNIFICANT ISSUES

Senate Joint Memorial 49 states that Los Alamos National Laboratory (LANL) was established over sixty-three years ago and has a budget of more than \$2,000,000,000 which represents a significant regional economic engine.

LANL's total workforce of approximately fifteen thousand makes it the largest employer in Northern New Mexico. The Federal Government "rebid" the contract for management and operation of LANL, and the new contract took effect on June 1, 2006. The new contract caused a change in the taxable status of LANL operations and the change in tax status has had an enormous fiscal impact on LANL.

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The Legislature of the State of New Mexico requests that New Mexico's Congressional delegation and the entire United States Congress be urged to reestablish the federal funding and support that existed in order to help mitigate the negative economic impacts caused by LANL downsizing and to help build a diverse, sustainable economy in North Central New Mexico.

BS/mt