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HOUSE MEMORIAL 63

**54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

INTRODUCED BY

Joseph L. Sanchez

A MEMORIAL

REQUESTING THAT ANY TAXATION TASK FORCE CONVENED IN 2019 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 over seventy 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 2018, Los Alamos national laboratory  
7 celebrated its seventy-fifth anniversary; and

8 WHEREAS, Los Alamos national laboratory annually purchases  
9 more than four hundred twenty million dollars (\$420,000,000) in  
10 goods and services from suppliers in the state, or over forty-  
11 five percent of the total purchases of goods and services  
12 purchased by Los Alamos national laboratory; and

13 WHEREAS, Los Alamos national laboratory contracts awarded  
14 to New Mexico small businesses totaled two hundred sixty-nine  
15 million dollars (\$269,000,000) in 2018; and

16 WHEREAS, Los Alamos national laboratory employs more than  
17 eleven thousand employees, mostly from northern New Mexico; and

18 WHEREAS, Los Alamos national laboratory is crucial to New  
19 Mexico's economic health, paying over one billion dollars  
20 (\$1,000,000,000) in salaries, which has a direct impact on the  
21 state's economy each year; and

22 WHEREAS, Los Alamos national laboratory's operations and  
23 construction have resulted in over eighty million dollars  
24 (\$80,000,000) in gross receipts tax revenues annually for the  
25 state since 2006 and have also resulted in three billion one

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1 hundred million dollars (\$3,100,000,000) in annual total impact  
2 on economic output across New Mexico from 2015 to 2017; and

3 WHEREAS, Los Alamos national laboratory was founded in  
4 secrecy at a remote location during World War II, and northern  
5 New Mexico communities and residents built and have maintained  
6 the facilities since its inception and are an indispensable  
7 component of the current workforce; and

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

13 WHEREAS, there are current legislative efforts to tax Los  
14 Alamos national laboratory, regardless of whether the  
15 laboratory were to become a nonprofit entity; and

16 WHEREAS, the local revenue distribution from the Los  
17 Alamos national laboratory gross receipts tax currently paid to  
18 the state greatly benefits Los Alamos county and does not  
19 benefit the rest of northern New Mexico; and

20 WHEREAS, the communities outside Los Alamos county  
21 contribute greatly to the success of Los Alamos national  
22 laboratory; and

23 WHEREAS, the importance of equitable regional tax  
24 distribution on communities and workforces outside Los Alamos  
25 county must continue to be examined;

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