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**Off-Budget Nuclear Weapons Lab Financing Scheme Disclosed:
U.S. Postal Service to Fund Construction of New Los Alamos Science Complex;
Legally Mandated Federal Environmental Review Not Conducted**

Santa Fe, New Mexico –Los Alamos National Laboratory (LANL) is implementing a previously hidden plan to spend U.S. Postal Service (USPS) funds to build a new 400,000 square foot “Science Complex.” According to Nuclear Watch of New Mexico, the group that discovered the proposal, construction is slated to begin in early 2007, even though the Lab has not prepared a federally required environmental impact analysis for the project.

Documents made public by Nuclear Watch show that approximately ten percent of the Lab’s total work force is to be relocated to the new facility. The purpose of the Science Complex is to “Support [nuclear weapons] Stockpile Stewardship’s related and applied scientific research.” The cost of the project is unknown because it is not included in Los Alamos’ U.S. Department of Energy (DOE) budget.

The hidden USPS funded project was disclosed after Nuclear Watch filed a federal Freedom of Information Act lawsuit seeking release of Los Alamos’ “Ten Year Comprehensive Site Plans” for Fiscal Years 2005 and 2006. Previously, the National Nuclear Security Administration (NNSA), the Energy Department’s semi-autonomous nuclear weapons agency and owner of LANL, had made public a Ten Year Plan with more than 40% of its contents blacked out. In response to Nuclear Watch’s litigation, NNSA released the Plans without redaction.

The full Plans revealed that the NNSA has developed “alternative financing (e.g., third party) methods” for new facilities that were not included in the DOE’s \$6.4 billion annual budget for its nuclear weapons activities. To fund the Los Alamos Science Complex, the NNSA executed a Memorandum of Understanding with the United States Postal Service in February 2004 that “authorized the USPS, as a third party, to assist in the development of the two buildings and parking [for the Science Complex] to meet the needs of the DOE/NNSA.” As justification, NNSA cited a vaguely worded federal law that authorizes the USPS to furnish property and services to executive branch agencies and vice versa.

Jay Coghlan, Director of Nuclear Watch, commented, “Los Alamos’s greed for new facilities seems insatiable. The Lab’s budget for nuclear weapons programs has almost doubled since the end of the Cold War, yet it wants the Postal Service to subsidize a new Science Complex to support expanding nuclear weapons research and production. Two major questions must be addressed before this project can be built.

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What is Congress, which has the sole constitutional power to authorize and fund major federal projects, going to do about this “back door” financing gimmick? And, two, how can the project proceed without the public environmental review required by the federal National Environmental Policy Act (NEPA)?” An exhaustive search by Nuclear Watch has found no existing NEPA process underway for the Los Alamos Science Complex.

Bob Civiak is a former budget examiner of DOE programs at the federal Office of Management and Budget and consultant to Nuclear Watch. He noted, “During my ten years at OMB, DOE sites regularly proposed similar third party financing schemes. They were universally rejected, because such schemes reduce financial accountability, create an obligation for future spending without congressionally appropriated budget authority, and increase the cost of the project.”

Scott Kovac, Nuclear Watch Program Director, added, “Ironically, USPS customer service has been bitterly criticized by New Mexicans during the last half-year. The Postal Service’s general excuse has been that it can’t afford to hire more employees. How can USPS then justify subsidizing major new facilities at a nuclear weapons lab that will cost unknown hundreds of millions of dollars?”

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Relevant excerpts from the LANL Ten Year Comprehensive Site Plans are available at http://www.nukewatch.org/facts/nwd/LANL_ScienceCenter.pdf (700 KB)