Alice C. Williams, Associate Administrator for Infrastructure and Environment National Nuclear Security Administration, U.S. Department of Energy Before the Senate Energy & Natural Resources Committee Subcommittee on Public Lands and Forests S. 3179, Lovelace Respiratory Research Institute Land Conveyance Act July 9, 2008

Thank you Chairman Wyden, Ranking Member Barrasso and distinguished members of the subcommittee, and thank you to Chairman Bingaman and Mr. Domenici for introducing this legislation. My name is Alice Williams. I am the Associate Administrator for Infrastructure and Environment at the National Nuclear Security Administration of the Department of Energy (DOE). I appreciate the opportunity to testify today on S. 3179, a bill to convey approximately 135 acres of land currently under the jurisdiction of the Secretary of the Air Force but leased to the Secretary of Energy, and the DOE improvements on that land to the Lovelace Respiratory Research Institute (LRRI). S. 3179 also directs the change in administrative jurisdiction of another approximately 7 acres of land from the Secretary of Energy to the Secretary of the Air Force.

The Department of Energy supports both elements of S. 3179

Background

The Inhalation Toxicology Laboratory, formerly known as the Inhalation Toxicology Research Institute, is located within the boundaries of Kirtland Air Force Base in Bernalillo County, New Mexico. This facility served an important role from 1960 to 1996 as a government-owned, contractor-operated laboratory performing research for the DOE and its predecessor agencies on the effects of inhalation of hazardous substances. In 1996, the Department determined that the facility was no longer required for its mission. In an effort to continue its productive use for research, and to mitigate the economic impact that closing the facility would have on the Albuquerque community, the facility was placed under long-term lease to the Lovelace Respiratory Research Institute, which had operated it for the United States government since its inception.

This "privatization initiative" has been a significant success. The facility now has gross revenues exceeding \$50M and provides employment for more than 500 workers in the Albuquerque area. The facility enjoys a very positive technical reputation for its work in inhalation toxicology supporting both the private and public sector.

S. 3179

S. 3179 provides for the completion of the privatization of this facility by transferring the real property and improvements from the federal government to the LRRI. The bill specifies that the property and facilities must be used for a continuation of their current research, scientific or educational purposes. S. 3179 further requires that LRRI will take title to the property "as contaminated" regardless of whether that contamination

originated from past government operations and conduct any and all environmental remediation that might be required in the future. The assumption of this responsibility provides for a significant benefit to the taxpayer by transferring an estimated liability in excess of \$20 million dollars in decontamination and demolition costs for a facility that is excess to the Department's Mission.

Finally, S. 3179 directs the change in administrative jurisdiction of another approximately 7 acres of land from the Secretary of Energy to the Secretary of the Air Force. This property is no longer required by the Department and we support its transfer for beneficial use to the Department of the Air Force.

Thank you for the opportunity to testify. I would be happy to answer any questions.