

**Overview of the National Laboratories and UC:
History and Current Operations**
Academic Council Special Committee on the National Laboratories (ACSCONL)

White Paper I – March 2004

For more than fifty years, the University of California has managed three multi-disciplinary national laboratories on behalf of the U.S. government. In 1931, the predecessor to the Lawrence Berkeley National Laboratory (LBNL) was created as an on-campus research center by Nobel prize-winning physicist E. O. Lawrence. In 1943, the U.S. Army contracted with the University to administer the Los Alamos laboratory in New Mexico, where the first atomic bombs were designed and built under the leadership of UC physicist Robert Oppenheimer. In 1952, a second weapons-design laboratory was established at Livermore and later named for Lawrence. Each UC-managed national laboratory is a Federally Funded Research and Development Center (FFRDC) and a Government Owned, Contractor Operated (GOCO) facility.

LBNL, overseen by the Office of Science of the U.S. Department of Energy (DOE) with an annual budget just under \$500 million, is no longer engaged in classified research and has become an integral part of the Berkeley campus. Bidding to continue management of LBNL is clearly in the best interests of UC and the lab, and consequently, LBNL will not be discussed further here. Los Alamos (LANL) and Lawrence Livermore (LLNL) national laboratories, both overseen by DOE's National Nuclear Security Administration (NNSA), have historically had responsibility for designing all of this nation's nuclear weapons. Starting with the 1970's energy crisis and increasingly since the end of the Cold War and the suspension of U.S. nuclear testing in 1992, both LANL and LLNL have branched out into such non-weapons-related research fields as biomedicine, environmental science, and energy efficiency. Los Alamos and Livermore have also become increasingly engaged in developing various detectors and other counter-terrorism technology for the U.S. Department of Homeland Security.

The major and continuing mission at both labs concerns "stockpile stewardship" -- assuring the continued safety and reliability of the U.S. nuclear arsenal in an era when test nuclear explosions are forbidden. As part of the stewardship effort, LANL has recently resumed the manufacture on of a limited number of so-called plutonium pits, or nuclear weapon components. Today, while approximately 75% of the projects at LANL and LLNL are defense-related, about half the research at the two labs is unclassified. While the majority of the research at the laboratories is funded by the NNSA, the technical staff at both laboratories are encouraged to pursue their own independent research using internal discretionary funds or by seeking funding within or outside the DOE.

LANL is the largest employer in northern New Mexico, with approximately 8,100 UC employees and 3,700 contractor personnel. LLNL has 7900 UC employees and about 3000 employees under contract. The budget for the Los Alamos lab last year was approximately \$2 billion; Livermore's annual budget was about \$1.5 billion. The University of California receives approximately \$30 million yearly from DOE as a

performance management fee for administering the two labs. Approximately half of this sum reimburses the University for its legitimate management costs. The remaining funds (~\$15 million) are used to (i) cover any "unallowable costs" incurred by the laboratories, (ii) provide for a contingency fund, (iii) support two UC multicampus research units—the Institute of Geophysical and Planetary Physics and the Institute on Global Conflict and Cooperation—as well as other collaborative research efforts between the labs and UC and non-UC faculty. Recently-implemented Memoranda of Understanding between Los Alamos and the campuses at Santa Barbara, San Diego, Riverside, and Davis will provide dedicated research support for UC faculty and graduate students. In addition, LLNL has worked closely with UC Merced during the establishment of UC's tenth campus.

How does UC currently oversee the labs? The Board of Regents has a Standing Committee on Oversight of the DOE Labs, with responsibility regarding laboratory operations. All lab employees are UC employees, and Laboratory directors, much like chancellors, are appointed by the Regents and report to the UC President. In addition, the UC President's Council on the National Laboratories, which was established in 1992, provides advice to the President on all matters related to the management, operation, and science at the labs. This council and its panels include members from the Academic Senate, faculty at other universities, representatives from government and private industry, and administrators from within UC.

The contracts for managing LANL and LLNL were previously reviewed and renewed by the two signatories, the University and the U.S. government, every five years. Following several highly publicized security lapses at Los Alamos and Livermore, however, in 1999 Congress created the National Nuclear Security Agency, in part to oversee the DOE's management of these labs. In 2003, Congressional legislation mandated that the contracts of all labs whose contracts had not been bid for the last 50 years would be opened to competitive bidding, including those for LANL, LLNL (and LBNL). Thus far, the University of Texas, Battelle Corporation, and Lockheed Martin Corporation are among the entities that have expressed interest in competing for one or more of the contracts, which likely will be bid separately. UC President Dynes has indicated that the University will not make a decision whether to compete for the contracts to administer Los Alamos and Livermore until the DOE formally submits a detailed request for proposals. Specific timetables are unknown at this time, although DOE has indicated that their intention is to award the management contract for LANL by September 30, 2005.