

## **PRESS RELEASE**

### **Contacts:**

Los Alamos, NM: Manuel Trujillo (505) 927-3883

Livermore, CA: Jeff Colvin (925) 449-4846

Washington DC: Candice Johnson (202) 434-1168

### **Los Alamos National Laboratory Privatization of Employees' Pensions Endangers National Security**

As a result of the privatization of the Los Alamos National Laboratory, the Department of Energy and the University of California will transfer all 10,000 employees at the nation's largest and most prestigious nuclear weapons research facility from university employment to private employment controlled by a consortium of defense contractors and the University of California. This move jeopardizes decades of accrued pension benefits and any future job security for the thousands of professionals and employees who have made the work of Los Alamos so highly regarded. After years of security and safety incidents that focused congressional and media attention on the Los Alamos Lab, these changes will make a difficult situation worse.

On March 15, the University of California and LANS, LLC (the new private company controlled by UC and Bechtel) notified employees that they must forfeit further accrual of their University of California pensions if they want to keep their jobs with the privatized Los Alamos National Security, LLC.

The Department of Energy has already begun the privatization of the other nuclear weapons research facility run by UC, the Lawrence Livermore National Laboratory (LLNL). Legislators and DOE officials anticipate that the thousands of LLNL employees also will be privatized by October 2007.

The Los Alamos and Livermore Lab employees are members of Communications Workers of America Local 9119, University Professional and Technical Employees.

The typical and appropriate solution to this type of transition would involve establishing "reciprocity", whereby employees could retain their vested benefits under the University's retirement plan while accruing added service credit and added benefits at LANS. Instead, employees are faced with a Catch-22 dilemma: they must either transfer all of their vested assets into the new and untested LANS plan, which provides far less retirement security than the University's plan, or freeze their University pensions and be punished by being placed in a radically diminished LANS plan.

Further, employees who select to freeze their current pension and keep those funds with UC have grave concerns about UC's statements that it plans to spin off this portion of the retirement plan. This could lead to chronic under-funding of this pension plan unless UC resolves its current conflict with the Department of Energy as to which entity is responsible for the viability of such a spin off fund. Adding insult to injury, employees are being required to make their impossible choice immediately, before UC decides whether to go through with the spin-off.

Thousands of employees have begun the process of retiring rather than lose their pensions. After years of mismanagement that led to security breaches and financial malfeasance, employees have lost their commitment to the mission of the national lab. This drain of talented professionals puts the mission of the Los Alamos program – and national security – at great risk.

"Employees are being coerced into making decisions that will cause irreparable harm," warns Manny Trujillo, UPTE/LANL President. "Employees are being spoon fed little to no information that is often erroneous, causing confusion and frustration," he added.

CWA and UPTE-CWA members are very concerned that this move is causing irreparable harm to the Department of Energy laboratory that plays such a pivotal role in national security. Employees at Los Alamos Lab perform countless critical tasks, such as keeping the U.S. nuclear stockpile safe, detecting nuclear threats from oil fields in Iraq to airports in Belarus, and computing for the human genome project.

UPTE-CWA is filing a lawsuit today challenging the legality of forcing current UC employees to make the truly impossible and coerced pension decisions described above.