

SB 0085 SUPPORT

David Lidz

WaterBottle Worker Owned Cooperative

david@afsbuidls.com

410.903.9489

23317 Welty Church Road

Smithsburg, MD 21783

SB 0085 SUPPORT

Corporations and Associations - Limited Worker Cooperative Associations - Authorization (Maryland Limited Cooperative Association Act)

Maryland House of Delegates Economic Matters Committee

Thursday, March 28, 2024 at 1:00PM

Dear Chair Wilson, Vice Chair Crosby and members of the Economic Matters Committee:

My name is David Lidz. Please find herein my testimony in support of SB 0085.

I live in Smithsburg, Maryland (Washington County) but spend many hours each week working to rebuild communities on the West Side of Baltimore..

In 2010, I founded a construction company, Appalachian Field Services, LLC (AFS) which specializes in maintaining and renovating vacant homes for corporate and governmental mortgage institutions, and which uses that work to hire and train individuals recovering from addiction and/or incarceration. In other words, we at AFS were leveraging the work of rebuilding distressed homes to also rebuild distressed human beings.

By 2018 my employees and I had come to understand that our corporate and governmental clientele didn't care that much about our mission, didn't care that much about the oppressed neighborhoods they sent us in to board up, and certainly didn't pay us very well.

So we came up with the idea to form a co-operative and raise money to purchase, renovate and rent out homes in neighborhoods like Baltimore's Park Circle, Sandtown-Winchester, Matthew Henson and Midtown-Edmonson. With the support of the Baltimore Roundtable for Economic Democracy (BRED), we formed the WaterBottle Worker-Owned Cooperative, and raised \$5M in CDFI funding to support our cooperative neighborhood revitalization pilot. To date, our cooperative owns 19 properties in the aforementioned neighborhoods, employs

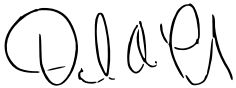
22 individuals, 90% of whom faced barriers to employment. We are leasing our completely and beautifully renovated homes predominantly to young mothers of color. Since converting to a cooperative, we have increased our wage range from \$11-\$20/hour in 2018 to \$17-\$42/hour today, and we anticipate achieving another 20% across the board wage and benefit increase this year.

We have faced many obstacles along the way; one of the most daunting of these was trying to get our heads around how to legally structure a worker-owned cooperative in the state of Maryland. We have spent tens of thousands of dollars in legal fees to stitch together something that works well enough but is still pretty clunky, especially when it comes to tax filings. We struggle to find insurance providers who understand our business aims and structures.

I therefore am very excited to urge favorable consideration of Senator Washington's SB 0085. The legislation represents an exciting moment for our state which for years now has been the home of an energetic and effective vanguard of the national cooperative movement.

Thank you for your consideration of my testimony.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Lidz". The signature is stylized and cursive.

David Lidz

Smithsburg, Maryland