



Community Wealth Builders is eager to submit **favorable testimony** in support of **Senate Bill 0085**.

**We are supportive of the bill as voted on unanimously by the Senate.**

Too many areas across Maryland suffer from significant unemployment, poverty, and systemic discrimination that has resulted in extreme inequities between neighborhoods. Despite the state's efforts to affect positive change, generational poverty persists, and too many neighborhoods lack vibrant businesses, family-sustaining employment opportunities, and quality, affordable housing.

Traditional economic development approaches have attempted to address these inequities, but have been insufficient in eradicating the root causes. In 2005, The Democracy Collaborative (TDC) coined the phrase "community wealth building" (CWB) to describe a range of alternative strategies that create inclusive, sustainable economies built on locally rooted and broadly held ownership. CWB is a community-focused model of economic development that places power and resources back into the hands of the communities and their residents.

*One key CWB model is the worker-owned cooperative.* In addition to offering people a chance to build assets, these businesses pay higher wages, empower workers, and even have higher success rates than non-worker-owned businesses. Especially noteworthy in cities like Baltimore that have a high number of returning citizens, worker-owned cooperatives have a track record of creating good jobs for those excluded from traditional labor markets.

Other cities and states across the country have taken action. For example, 21 states have their own employee ownership centers, which provide information and resources to businesses/people interested in worker ownership. *Maryland is well behind the curve, and this bill is an important step in the right direction.* **We urge you to pass SB0085, which will make it easier for people to create worker cooperatives, a business model that could play a critical role in fostering a more equitable, inclusive, and sustainable Maryland.**

Please feel free to reach out to me if I can provide any additional information.

Sincerely,

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