



Testimony for **SB 0085**

Corporations and Associations - Limited Worker Cooperative Associations - Authorization

(Maryland Limited Cooperative Association Act)

Position: **FAV**

Dear Chair Smith and members of the Judicial Proceedings Committee:

My name is Loraine Arikat and I am the Senior Policy Analyst at 1199SEIU United Healthcare Workers East in Maryland and D.C. 1199 SEIU is the largest healthcare union in the nation, with over 10,000 members in hospitals, long term care settings, and federally qualified health centers in the region.

1199SEIU is a proud lead organization of the **With Us for Us Community Wealth Building Coalition** (WUFU) in Baltimore City. The WUFU coalition aims to bring together grassroots community leaders that are committed to organizing for equitable development, holding anchor institutions accountable to investing in the community, and racial justice.

We support SB 85 because this legislation will allow cities like Baltimore City chart a path for self-determination in its most marginalized communities. Worker Cooperatives are part of the community wealth building model that ensures housing and businesses are locally rooted and collectively owned. The democratic decision-making model builds healthy and thriving work environments that puts values of equity, collective care, and inclusion at the forefront. Stark wealth disparities in Baltimore City are due to generations of exclusionary, racist policies that have deepened segregation and poverty. This legislation has a racial justice impact on Black and Brown and communities that often have barriers to building generational and communal wealth.

SB 85 removes barriers to creating worker cooperatives that can stabilize communities and provide sustainable living wage jobs. Between 2019 and 2021, the number of US worker cooperatives increased by over 30%. Historically, cooperative enterprises have grown during periods of economic and social tumult. Too often, they have been thwarted by legal frameworks, regulatory environments, finance protocols, and capitalistic norms. This legislation is one step towards creating and running worker cooperatives in the state. For those reasons and more, we urge a favorable report on SB 85.

Sincerely,

Loraine Arikat

1199SEIU United Healthcare Workers East

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