

Testimony

Maryland State Legislature

HB15 – Limited Worker Cooperative Association

My name is Scott Christensen. I'm highly in favor of passing HB15 around creating a worker cooperative statute. Having worked in economic development in Maryland, it's clear that worker cooperatives are a core piece of what is needed to create a healthy and thriving economy for all Marylanders.

Over the years, Maryland has put extensive funding and support into economic development strategies focused on venture capital and high growth startups. These companies, built with public dollars and support, are generally built with the intention of either listing on public markets (very low likelihood) or getting acquired (the much more common result). Unfortunately, these acquirers are too often out-of-state, and lead to Maryland jobs and tax revenues headed out of the state.

Worker cooperatives present an alternative model for economic development. These enterprises have been proved to be stable, community-based business anchors creating not just jobs, but high-quality jobs, tending to lead their industries in wage levels and benefits as well. By passing this bill and setting up an adequate statutory business law regime around worker cooperative enterprises, Maryland is putting its economic development professionals in a better place to support entrepreneurs and create high quality jobs for all Marylanders.