



TESTIMONY
SENATE BILL 0144 / HOUSE BILL 0015
MARYLAND LIMITED COOPERATIVE ASSOCIATION ACT
POSITION: FAVORABLE
JANUARY 7, 2024

Dear Members of the Judicial Proceedings Committee,

I am writing to urge your support of the Maryland Limited Cooperative Association Act to authorize the formation of limited worker cooperative associations and establish rules and procedures for the formation, governance, conversion, and dissolution of limited worker cooperative associations.

As a life-long resident of Baltimore City, I have seen many businesses and nonprofit organizations come and go, much to the disappointment of the communities that depend on them. This is due, in part, to the lack of statutory infrastructure in the State of Maryland to support the conversion of existing businesses to worker ownership or the formation of new cooperative businesses. Two of the cooperative organizations I am currently working with as a founding member, though they considered incorporating in Maryland, chose to form elsewhere due to the lack of statutory support for cooperative formation in Maryland.

If more non-agricultural entrepreneurs and community organizations knew that forming a cooperative entity was a viable option registering in the State of Maryland, there would be less emergency, rushed conversions of struggling, traditional businesses or nonprofits to worker-owned, worker-controlled entities. It would also prevent individual, low-income workers from having to assume personal liability, tax or otherwise, for a business that is principle rather than profit driven, making it easier for low-to-moderate income earners to prepare annual tax returns and receive pro bono tax assistance for which they'd otherwise be eligible.

Living Corners, a non-profit organization based in the State of Maryland, promotes health, equity, access, and longevity in Baltimore City neighborhoods through the ideation and creation of health-conscious and community-oriented businesses. We would benefit from the ability to establish a limited cooperative association for our business participants to share services and resources with each other.

Please make it easier to create and manage worker cooperatives in Maryland by voting in favor of Senate Bill 0144/HB 0015.

Sincerely,

Amber N. Jones

President