

Good afternoon Senator Grohoski, Representative Perry and members of the Taxation Committee.

My name is Rebecca Swanson Conrad and I live in Auburn. I previously served as president and CEO of the Lewiston Auburn Metropolitan Chamber of Commerce and currently work as a consultant addressing community and economic development projects across Maine, including worker-owned cooperatives. I am currently advising the 6th new cooperative business to open in Androscoggin County in the last 5 years. I support cooperative and employee-owned business structures as they reinvest profits into the communities they serve, have high employee retention rates and generate higher wages.

My region's economy is built on small businesses, many still family owned. As a Chamber president, I was often asked to provide resources when business owners had no succession plan. LD 1276 to Create and Sustain Jobs through Development of Cooperatives and Employee-owned Businesses would be a very effective tool to strengthen local ownership and control, and promote economic and community development. Reducing the cost of financing through income tax exemption should become a significant incentive to convert business assets to cooperative or employee ownership. By passing LD1276 and establishing an Employee Ownership Center, in 2024, Maine's access to federal grants and technical assistance will increase significantly to support this method of business succession. The concept of cooperatives or Employee Stock Ownership Plans is based on retaining talent, in Maine's case trained workers, surely able and likely willing to keep successful businesses active within the State's economy. LD1276 is smart tax policy that will stimulate expansion by preserving and growing jobs. .

Over a dozen states have garnered bi-partisan support to create similar incentives and technical assistance programs to increase cooperative and employee ownership.

I encourage Maine to join this leadership effort to create a pathway toward economic sustainability for our small business sector, thereby strengthening Maine's overall economy.

Respectfully submitted,  
Rebecca Swanson Conrad  
Principal, RSC Consulting  
April 13, 2023

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Auburn  
LD 1276

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