

Greetings Chairs Senator Grohoski, Representative Cloutier 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 now 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.

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. LD756, aimed at *Creating and Sustaining Jobs Through the Development of Cooperatives and Employee-owned Businesses by Providing Tax Deductions for Certain Qualified Business Activities* 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. 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.

The number of states that have technical assistance programs to increase cooperative and employee ownership has grown to 25 and 12 have public funding incentives. 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. LD756 addresses two of Maine's most pressing workforce needs: retaining young workers and lack of small business succession options for seniors. Young workers will be attracted to a business ownership structure that is documented to accelerate financial security for employee owners, Maine seniors will benefit by realizing the value of what may be their only financial asset at retirement, and Maine will maintain a strong small business sector.

LD756 is smart tax policy that will stimulate expansion by preserving and growing jobs.

Thank you.

Respectfully submitted,
Rebecca Swanson Conrad
Principal, RSC Consulting
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