

Testimony in Support of LD 756 - An Act to Encourage Employee Ownership and Support the Maine Center for Employee Ownership

Senator Reny, Representative Perry, and members of the Committee,

My name is Katharine Ahlefeld, and I am the Secretary of the Board of the Liberty Graphics Employee Cooperative. I am testifying in support of LD 756, An Act to Encourage Employee Ownership and Support the Maine Center for Employee Ownership.

Liberty Graphics has been a cornerstone of the rural town of Liberty, Maine, since 1977. The company was founded by Tom Oppen and artist Beverly Kocenko in a small trailer on Tom's property, producing hand-silk-screened T-shirts in small batches. Over the years, our work gained recognition both locally and nationally, earning us a reputation as Maine's original water-based ink T-shirt printer.

After many successful years, Tom Oppen sought a way to step back from the daily operations of the business. In 2019, Liberty Graphics employees began discussing the possibility of purchasing the company through a worker cooperative. Many of our employees had been with the company for decades and were committed to keeping the business in Liberty, ensuring its continued success in the spirit of its original mission.

It took over two years of careful planning to establish the Liberty Graphics Employee Cooperative. We currently have 21 member-owners, with six more expected to join on June 1, 2025, out of a total of 36 employees. Our team is deeply invested in the company and values having a voice in its direction.

The cooperative ownership model has also helped us attract new employees who are eager to be part of a cooperatively-owned business. We are proud to continue operating in rural Liberty, where good job opportunities are scarce. Being close to work allows us to engage more meaningfully in our local community.

We strongly believe that LD 756 should be passed into law. Cooperative ownership has greatly benefited Liberty Graphics, allowing us to continue to thrive. LD 756 would make the sale of any business or farm to its employees exempt from income tax, making employee ownership an even more attractive

option for business owners. It would also establish a Maine Center for Employee Ownership, providing state funding for education, training, and technical assistance for workers and business owners interested in pursuing a conversion to employee ownership.

Thank you for your consideration.

Sincerely,

Katharine Ahlefeld, Board Secretary

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