

March 30, 2026

Honorable Representative Arthur Corvese, Chair  
House Labor Committee  
82 Smith Street  
Providence, RI 02903

**Re: Support of H7964, The Rhode Island Opportunity for Employee Ownership Act**

Dear Chair Corvese,

Co-op Rhody is proud to express our wholehearted support for **H7964**, the Rhode Island Opportunity for Employee Ownership Act. This legislation creates opportunities for small business owners to transfer ownership of businesses to their employees when the owner decides to sell. If passed, it could generate ownership and wealth-building opportunities for tens of thousands of Rhode Islanders while providing a strategy for Rhode Island to meet the challenges of thousands of small business owners retiring in coming years (a.k.a. ‘Silver Tsunami’).

Co-op Rhody is a worker cooperative organizing hub that supports Rhode Island workers develop and launch worker-owned and unionized businesses. We believe in the power of worker ownership and union membership to create meaningful wealthbuilding opportunities for workers. We’re also a member of the Rhode Island Worker Cooperative Alliance, an organization representing worker cooperatives and support organizations throughout the state dedicated to building a democratic local economy by facilitating the creation, growth, and viability of worker cooperatives in and around Rhode Island.

According to the Small Business Administration, retirement is the growing reason for business closures nationwide. In Rhode Island, over half of small business owners are approaching retirement age. As increasing numbers of our state’s locally-owned small businesses approach points of transition, we see conversion to employee ownership as an ideal outcome to preserve community character, safeguard local ownership, and provide economic mobility opportunities to working Rhode Islanders.

House Bill 7964 represents a prudent investment for Rhode Island that would pay dividends for years to come. Research shows that support for worker cooperatives is an effective economic development strategy, building community resilience and creating sustainable, dignified jobs. According to a 2017 study from the National Center for Employee Ownership, wages are 33% higher, median job tenure is 53% longer, and net worth increases 92% when workers have an ownership interest in the organizations in which they work.

As such, we strongly urge the committee to move this bill forward. Should you have any questions, please do not hesitate to contact me directly at [emma@cooprhody.org](mailto:emma@cooprhody.org).

Sincerely,  
Emma Karnes  
Board Member  
Co-op Rhody