

Monday, March 30, 2026

Dear Members of the House Labor Committee,

I am writing to you in strong support of the Opportunity for Employee Ownership Act (H7964) and asking you to consider supporting it as well.

I have had the pleasure and good fortune to spend my career in community economic development in Rhode Island. In particular, I have helped hundreds of small businesses start and grow, and also transition ownership when that time has come. In working with businesses, like White Electric coffee shop, I have seen the opportunity and the power of employee ownership as an option for that transition, which is why I so strongly support this legislation.

Rhode Island faces a small business ownership crisis. Over half of small business owners are over 55 and are likely to retire in the next decade. Most of those small business owners do not have a succession plan. (I have seen this in my own experience and the data bears it out.) Owner retirement is the single biggest reason for business closure among these businesses. This puts over 70,000 jobs at risk. The word crisis is no hyperbole here.

The legislature has a package of bills before you to help address this crisis, from establishing a Center for Employee Ownership to creating tax credits for small businesses working on succession. This bill, H7964, is a critical piece of that toolbox. It would give employees the opportunity to try to buy the businesses where they work that are at risk of closing. It would not mandate in any way that the current owner sell to those employees, but it would make critical resources available in the transition.

Doing nothing - or kicking the can down the road - is not enough to meet this moment. As one more highlight of what this crisis is costing us: in 2024, Unemployment Insurance paid \$1.4 million to employees who lost their job because the business they were working at closed down. A problem of this magnitude calls for a public policy solution. This bill - the Opportunity for Employee Ownership Act - is part of that solution and a key element of how our state can meet this moment.

I urge you to support it.

Thank You,

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