



March 25, 2026

The Honorable Mary Ann Shallcross Smith, Chairwoman
House Small Business Committee
State House
Providence, RI 02903

Re: H.7570, An Act Relating to State Affairs and Government – The Rhode Island Center for Employee Ownership

Dear Chairwoman Shallcross Smith,

The undersigned members of the Rhode Island Business Coalition support the passage of House Bill 7570 and thank Representative Diaz for introducing this bill on behalf of Lieutenant Governor Matos. This bill would establish an office within state government to assist businesses transitioning to an employee-owned business model.

Rhode Island is truly a small business state with more than 92% of employers having fewer than twenty employees. H7570 creates a centralized resource to assist business owners in transitioning to employee-owned models, including employee stock ownership plans (ESOPs), worker cooperatives, and other shared ownership structures. This office can support business continuity, workforce stability, and local ownership.

With many business owners approaching retirement age, there are often limited succession options, leading to closures or out-of-state acquisitions. By facilitating transitions to employee ownership, this legislation provides a practical pathway to keep businesses locally rooted, preserve jobs, and maintain economic activity within our communities.

Employee ownership has been shown to deliver meaningful benefits, including increased employee engagement, improved business performance, and greater long-term stability. Workers with an ownership stake are more invested in the success of their company, which can lead to higher productivity and reduced turnover. At the same time, owners gain a viable exit strategy that rewards their years of investment while ensuring continuity of operations.

Importantly, the establishment of a dedicated center will help address one of the key barriers to employee ownership, a lack of awareness and technical expertise. By providing education, outreach, and transaction support, the Center can serve as a trusted resource for business owners exploring succession options and for employees seeking to participate in ownership opportunities.

[The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.](#)

The Coalition believes House Bill 7570 is an opportunity to provide additional resources and guidance to business owners regarding business succession. We ask the Committee to support passage of H7570.

Sincerely,

David Chenevert, Chairman, Rhode Island Business Coalition
East Greenwich Chamber of Commerce
National Federation of Independent Business
Northern Rhode Island Chamber of Commerce
Propane Gas Association of New England
Rhode Island Small Business Economic Summit Regulations Subcommittee
Rhode Island Small Business Summit Tax and Budget Committee
Rhode Island Staffing Association

cc. House Small Business Committee members