



STATE OF RHODE ISLAND

Department of Labor and Training

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Daniel J. McKee
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March 23, 2026

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

Dear Chair Shallcross Smith:

I write today in support of House Bill 7570 introduced by Representative Diaz.

This legislation would establish the Rhode Island Center for Employee Ownership, a resource designed to help businesses transition to employee-owned models by providing technical assistance, connecting owners and workers with resources, and supporting succession planning for small and legacy businesses in our state.

The Department of Labor and Training believes from the perspective of workforce development and economic stability, employee ownership can play an important role in preserving jobs and strengthening local businesses. Rhode Island, like many states, faces the challenge of business owners approaching retirement without clear succession plans. By helping facilitate transitions to employee ownership, this bill can help keep businesses operating, retain jobs for Rhode Island workers, and maintain economic activity within our communities.

Additionally, the creation of a centralized center dedicated to employee ownership would provide a coordinated approach to education, outreach, and technical assistance for employers and workers considering these transitions. Many business owners are unfamiliar with employee ownership options or the steps needed to implement them. A state-supported center could help bridge that gap, provide guidance, and connect stakeholders to financing, legal, and workforce resources. By doing so, the state can help prevent closures that might otherwise result in job losses and disruption to local economies.

Thank you for your consideration of this legislation. If you have any questions please do not hesitate to contact me or our Chief of Government Affairs, Keith Murray, keith.murray@dlt.ri.gov or 401-462-8021.

Sincerely,

Matthew D. Weldon
Director

CC: Honorable Members of the House Committee on Small Business
The Honorable Grace Diaz
Nicole McCarty, Esq. Chief Legal Counsel to the Speaker of the House