

Introduced by: Councilmember Henry *Young Middleton* / *J.C. Dorsey*, Burnett

Prepared by: Department of Legislative Reference

Date: October 10, 2018 *Chen*

Referred to: **RESOLUTION** Committee

Also referred for recommendation and report to municipal agencies listed on reverse.

CITY COUNCIL *18-0122*

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning

Worker Cooperatives Month in Baltimore – October 2018

FOR the purpose of declaring the month of October 2018 to be Worker Cooperatives Month in Baltimore.

Robert Stokes

Robert Stokes

[Signature]

R. Dorsey
[Signature]
[Signature]

Bill A
[Signature]

[Signature]

Marysall
Edward
[Signature]

Stokes
Bullett
Sreed
Clarke
Reisinger
Pinkett

****The introduction of an Ordinance or Resolution by Councilmembers at the request of any person, firm or organization is a courtesy extended by the Councilmembers and not an indication of their position.**

Agencies

Department of Public Works	Baltimore City Public School System
Department of Real Estate	Baltimore Development Corporation
Department of Recreation and Parks	City Solicitor
Department of Transportation	Comptroller's Office
Fire Department	Department of Audits
Health Department	Department of Finance
Mayor's Office of Employment Development	Department of General Services
Mayor's Office of Human Services	Department of Housing and Community Development
Mayor's Office of Information Technology	Department of Human Resources
Office of the Mayor	Department of Planning
Police Department	Other: _____
Other: _____	Other: _____
Other: _____	Other: _____
Boards and Commissions	
Environmental Control Board	Board of Estimates
Fire & Police Employees' Retirement System	Board of Ethics
Labor Commissioner	Board of Municipal and Zoning Appeals
Parking Authority Board	Comm. for Historical and Architectural Preservation
Planning Commission	Commission on Sustainability
Wage Commission	Employees' Retirement System
Other: _____	Other: _____
Other: _____	Other: _____
Other: _____	Other: _____

**CITY OF BALTIMORE
COUNCIL BILL 18-0112R
(Resolution)**

Introduced by: Councilmember Henry, President Young, Councilmembers Middleton, Scott,
Dorsey, Burnett, Cohen, Stokes, Bullock, Sneed, Clarke, Reisinger, Pinkett
Introduced and adopted: October 15, 2018

A COUNCIL RESOLUTION CONCERNING

Worker Cooperatives Month in Baltimore – October 2018

1
2 FOR the purpose of declaring the month of October 2018 to be Worker Cooperatives Month in
3 Baltimore.

4 WHEREAS, Worker cooperatives are local businesses that are democratically governed,
5 provide wages and benefits above the industry average, develop leadership and management
6 skills, and build wealth for community residents; and

7 WHEREAS, Some of the earliest worker cooperatives in the U.S. can be traced back to
8 Baltimore – e.g., after a 1794 strike, Baltimore shoemakers organized themselves into a worker-
9 owned shoe production facility; and

10 WHEREAS, There are over 300 worker cooperatives across the U.S., with over 3,500 worker-
11 owners, with annual revenues exceeding \$400 million; and

12 WHEREAS, Worker Cooperatives generally employ community residents, are more likely
13 than other businesses to rely on sustainable business practices, and give back to the community,
14 with the profits being more likely to remain and circulate within the local economy; and

15 WHEREAS, A 2017 National Center for Employee Ownership (NCEO) study found that
16 employee ownership results in markedly higher median household net worth, greater access to
17 benefits at work (e.g., sick leave, vacation time, etc), and a greater sense of job security; and

18 WHEREAS, Worker cooperatives foster greater equity – the average pay ratio between the
19 lowest and highest paid employee in a Fortune 500 company is 341:1, while in a worker
20 cooperative it is rarely more than 4:1; and

21 WHEREAS, Since profits do not go to distant investors, but go directly to workers, worker
22 cooperatives enable community residents to build sizeable assets and anchor wealth within
23 neighborhoods; and

24 WHEREAS, Baltimore, like cities across the nation, is facing a “silver tsunami”, i.e., the
25 anticipated retirement of Baby Boom business owners who own roughly half of all U.S. small
26 businesses with employees, *translating to about 6,000 businesses in Baltimore employing more*
27 *than 100,000 workers*. The vast majority (85%) of these owners do not have succession plans.
28 Working with owners to transition their businesses to employee ownership could be a key
29 strategy to save vibrant local businesses while boosting their positive impact on our local
30 economy; and

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike-out~~ indicates matter deleted by amendment.

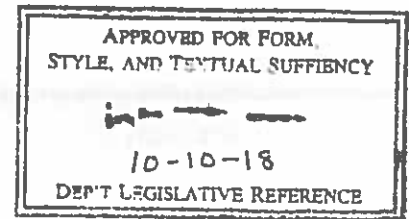
Council Bill 18-0112R

1 **WHEREAS**, Employee-owned businesses have greater productivity and growth and lower
2 failure rates than traditionally structured businesses, and they are ideal enterprises to help
3 stabilize and strengthen neighborhood economies.

4 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the
5 Baltimore City Council declares the month of October to be Worker Cooperatives Month.

6 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor and the
7 Mayor's Legislative Liaison to the Baltimore City Council.

INTRODUCTORY*
CITY OF BALTIMORE
COUNCIL BILL _____ R
(Resolution)



Introduced by: Councilmember Henry

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning

Worker Cooperatives Month in Baltimore – October 2018

FOR the purpose of declaring the month of October 2018 to be Worker Cooperatives Month in Baltimore.

WHEREAS, Worker cooperatives are local businesses that are democratically governed, provide wages and benefits above the industry average, develop leadership and management skills, and build wealth for community residents; and

WHEREAS, Some of the earliest worker cooperatives in the U.S. can be traced back to Baltimore – e.g., after a 1794 strike, Baltimore shoemakers organized themselves into a worker-owned shoe production facility; and

WHEREAS, There are over 300 worker cooperatives across the U.S., with over 3,500 worker-owners, with annual revenues exceeding \$400 million; and

WHEREAS, Worker Cooperatives generally employ community residents, are more likely than other businesses to rely on sustainable business practices, and give back to the community, with the profits being more likely to remain and circulate within the local economy; and

WHEREAS, A 2017 National Center for Employee Ownership (NCEO) study found that employee ownership results in markedly higher median household net worth, greater access to benefits at work (e.g., sick leave, vacation time, etc), and a greater sense of job security; and

WHEREAS, Worker cooperatives foster greater equity – the average pay ratio between the lowest and highest paid employee in a Fortune 500 company is 341:1, while in a worker cooperative it is rarely more than 4:1; and

WHEREAS, Since profits do not go to distant investors, but go directly to workers, worker cooperatives enable community residents to build sizeable assets and anchor wealth within neighborhoods; and

WHEREAS, Baltimore, like cities across the nation, is facing a “silver tsunami”, i.e., the anticipated retirement of Baby Boom business owners who own roughly half of all U.S. small businesses with employees, *translating to about 6,000 businesses in Baltimore employing more than 100,000 workers*. The vast majority (85%) of these owners do not have succession plans.

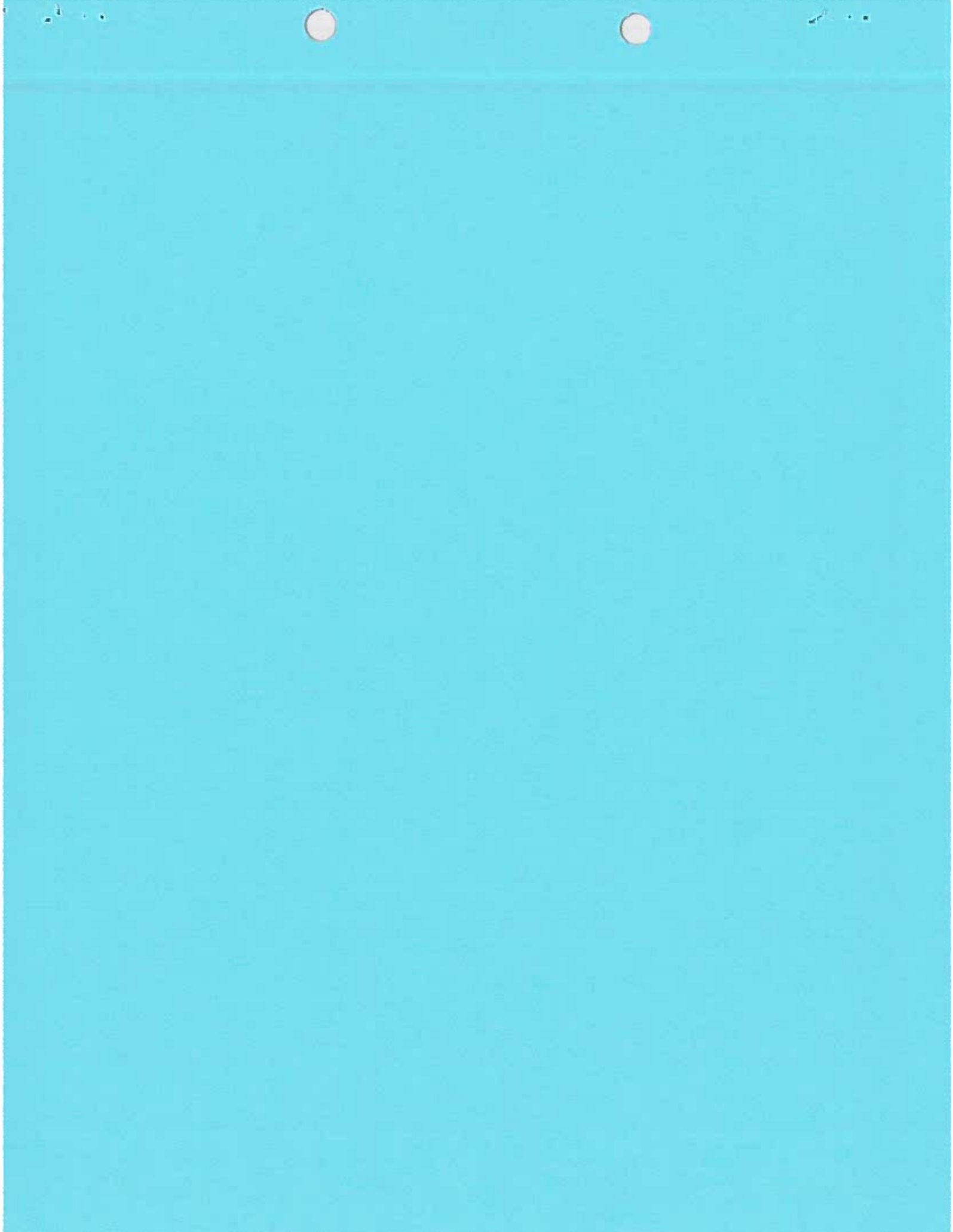
* WARNING: THIS IS AN UNOFFICIAL, INTRODUCTORY COPY OF THE BILL.
THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER COPY.

Working with owners to transition their businesses to employee ownership could be a key strategy to save vibrant local businesses while boosting their positive impact on our local economy; and

WHEREAS, Employee-owned businesses have greater productivity and growth and lower failure rates than traditionally structured businesses, and they are ideal enterprises to help stabilize and strengthen neighborhood economies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Baltimore City Council declares the month of October to be Worker Cooperatives Month.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor and the Mayor's Legislative Liaison to the Baltimore City Council.



ACTION BY THE CITY COUNCIL

OCT 15 2018
20

FIRST READING (INTRODUCTION) _____ 20

PUBLIC HEARING HELD ON _____ 20

COMMITTEE REPORT AS OF _____ 20

_____ FAVORABLE _____ UNFAVORABLE _____ FAVORABLE AS AMENDED _____ WITHOUT RECOMMENDATION

Chair

COMMITTEE MEMBERS:

COMMITTEE MEMBERS:

SECOND READING: The Council's action being favorable (unfavorable), this City Council bill was (was not) ordered printed for Third Reading on:

_____ 20

_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING _____ 20

_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING (ENROLLED) _____ 20

_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING (RE-ENROLLED) _____ 20

WITHDRAWAL _____ 20

There being no objections to the request for withdrawal, it was so ordered that this City Council Ordinance be withdrawn from the files of the City Council.

President

Chief Clerk