



October 15, 2025

The Honorable Joni Ernst
Chairman
Committee on Small Business & Entrepreneurship
United States Senate
Washington, D.C., 20510

The Honorable Ed Markey
Ranking Member
Committee on Small Business & Entrepreneurship
United States House of Representatives
Washington, D.C., 20510

The Honorable Roger Williams
Chair
Committee on Small Business
United States House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velázquez
Ranking Member
Committee on Small Business
United States House of Representatives
Washington, D.C., 20515

Dear Chair Williams, Chair Ernst, Ranking Member Velázquez, and Ranking Member Markey,

As President and CEO of the National Cooperative Business Association (NCBA), I write in support of the Improving SBA Engagement on Employee Ownership Act to ensure that cooperatives can access the same level of business support from the Small Business Administration (SBA) provided to other businesses. NCBA is the apex trade association for cooperatives across all sectors of the U.S. economy, including worker cooperatives, consumer food cooperatives, credit unions, and other cooperative financial institutions, all of which have an important role in the conversation of access to capital for cooperatives.

With nearly 65,000 cooperative establishments and over 130 million members, cooperatives are found across every sector of the economy. These cooperatives range from small, neighborhood establishments to multibillion-dollar businesses trading in international markets. The Main Street Act provisions of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 directed the Small Business Administration (SBA) to expand access to capital and technical assistance for businesses transitioning to employee ownership, including worker cooperatives and ESOPs. However, the SBA's current outreach falls short of what is necessary. This bill would improve the efficiency of federal agency outreach by leveraging existing resources to streamline support for employee ownership and cooperatives.

The health and growth of the United States' economy depend on giving retiring business owners the choice to move towards a member-owned structure, which keeps jobs local and enables communities to thrive. By fully implementing the Main Street Act of 2018 and establishing the Employee Ownership and Cooperative Promotions Program through the Small Business Development Center (SBDC) Network, retirees and emerging entrepreneurs will gain access to the technical assistance and on-the-ground support that is needed to successfully complete a business exit through sale to employees. The bill will also help the SBA deliver on the Memorandum of Understanding with the U.S. Department of Agriculture (USDA) which included a commitment to "examine opportunities for cooperatives to participate in SBA programs and access SBA resources". At a time when millions of small business owners are getting ready to retire, it is of utmost importance that the SBA is equipped to step in and offer services to ensure that these businesses can continue to contribute to the communities they serve.



The National Cooperative Business Association • CLUSA International

Since its establishment in 2014, the USDA Interagency Working Group on Cooperative Development has sought to foster cooperative development and ensure coordination with Federal agencies and national and local cooperative organizations that have cooperative programs and interests. NCBA encourages and supports the participation of the SBA in this and other working groups to maximize effective cross-sector collaboration for the benefit and well-being of cooperatives. Particularly as employee-owned and cooperative business across sectors have struggled to obtain access to SBA loans due to regulatory hurdles that are misaligned with the ownership structure.

Cooperatives across the United States will greatly benefit from the implementation of the Improving SBA Engagement on Employee Ownership Act. Many have experienced the challenges associated with accessing the right resources, assistance, and support necessary for economic growth and job creation, and this bill is a solid step forward in ensuring that the cooperative business model is ingrained within the institutional knowledge of the Small Business Administration.

In cooperation,

A handwritten signature in blue ink, appearing to read 'Doug O'Brien'.

Doug O'Brien
President and CEO
National Cooperative Business Association (NCBA)