

Outline for Feb 14th ESOP/Opportunity Zone Testimony

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Democracy at Work Institute

7.5-8 mins

- **30 sec-1 min:** Thank You/ Brief Introduction of Myself/ Brief Discussion of ESOPS
 - Track record and ecosystem of support for ESOPs: 40 year history and robust professional support

- **2 mins:** Alignment of Opportunity Zones Goals & ESOPs/ Employee Ownership Structures
 - The ability of ESOPs/ Employee Ownership Structures to keep businesses, jobs, and growth within the US & within target neighborhoods
 - **Multiplier Effect:** Opportunity Zones ability wealth creation potential paired w/ ESOP wealth creation potential
 - Data on wealth Opportunity Zone wealth/ capital access issues &
 - Wealth & Life outcomes for ESOP businesses & ESOP employees

- **2 mins:** Leveraging the rise of ESOP Impact funds to increase ESOPs within LMI & minority communities - the same targeted by Opportunity Zones
 - Examples of current and emerging funds to increase scale and scope of ESOPs

- **3 mins:** Suggested interpretation of legislation to achieve maximum positive outcomes
 - Inclusion of structured and/or preferred equity as qualifying investment mechanism
 - Inclusive definition of “substantial improvement”
 - Capital deployment timelines favorable to ESOPs