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# MOVEMENT LAWYERING FOR GEORGIA WORKER COOPERATIVES

by Julian M. Hill\*

## I. Introduction

*Capitalism's Contradictions in Atlanta.* The Park Place and Auburn Avenue intersection in downtown Atlanta juxtaposes capitalism's shiny veneer and putrid underbelly.<sup>1</sup> Among Georgia State University's multi-story buildings, Woodruff Park's lush trees, and the vibrant Sweet Auburn neighborhood once home to Martin Luther King, Jr., diverse youth vying for class ascension and minority-owned businesses exemplifying Atlanta's claim as an entrepreneurship hub populate the sidewalks. A deeper look, however, reveals cracks within the "Real Wakanda" facade.<sup>2</sup> Wooden boards cover commercial space doors along Auburn Avenue, houseless folks support each other and request help from others around Woodruff Park, and students born into poverty face the reality of being less likely than anywhere in the country to escape it.<sup>3</sup> Moreover,

\* Julian M. Hill (they/them/he/him) is a teacher, solidarity economy lawyer, community organizer, and artist who knows that the world we deserve, though possible and necessary, is not inevitable without a mass movement empowering the most vulnerable among us.

1 CEDRIC J. ROBINSON, *BLACK MARXISM 2* (noting that racial capitalism is the "development, organization, and expansion of capitalist society [] in essentially racial directions..." such that "racialism [] inevitably permeate[s] the social structures emergent from capitalism").

2 Michael Harriot, *Atlanta Is the Real Wakanda*, *THE ROOT* (Feb. 19, 2021), <https://www.theroot.com/atlanta-is-the-real-wakanda-1832715696> (describing Atlanta as a real-life version of the City of Wakanda from the motion picture, *Black Panther*, given the high levels of Black wealth, Black-owned businesses, and Black self-employment).

3 Dylan Jackson, *Atlanta's Income Inequality Is the Highest in the Nation*, *THE ATLANTA JOURNAL-CONSTITUTION* (Nov. 28, 2022),

significant numbers of Atlantans suffer despite pockets of wealth among Black entertainers and entrepreneurs who generally live in the suburbs.<sup>4</sup> When capitalist markets fail, communities worldwide have turned to cooperation, and Atlanta is no different.

*Solidarity Economy Alternative in Atlanta.* The solidarity economy, rooted historically in indigenous, pre-capitalist traditions in places like Africa and contemporarily in anti-neoliberalism resistance in Latin America during the 1990s, is an international movement and framework that critiques and offers an equitable alternative to capitalism.<sup>5</sup> There are solidarity economy alternatives related to various economic domains or activities, including land stewardship (e.g., community land trusts and collective ownership of land), exchange (e.g., bartering or sliding scale pricing), consumption (e.g., consumer and housing cooperatives), surplus allocation (e.g., credit unions and public banks) and production (e.g., farm cooperatives and worker cooperatives).<sup>6</sup> The solidarity economy prioritizes people and the planet over profits by centering collective care, participatory democracy, education, liberation, and other values.<sup>7</sup> Critics of racial capitalism, including the Atlantan Martin Luther King, Jr., have long understood the connection between fighting for human rights and economic rights necessary for Black liberation.<sup>8</sup> The

<https://www.governing.com/community/atlantas-income-inequality-is-the-highest-in-the-nation>.

4 *Quick Facts: Atlanta City, Georgia*, U.S. CENSUS BUREAU, <https://www.census.gov/quickfacts/atlantacitygeorgia> (last visited Apr. 21, 2023) (noting that nearly one-fifth of Atlantans live in poverty).

5 Aborampah Amoah-Mensah, *Nnobia and Rotated Susu as Agents of Savings Mobilization: Developing a Theoretical Model Using Grounded Theory*, 26 *THE QUALITATIVE REP.* 140, 141 (2021) (describing the nnobia as a pre-colonial "form of cooperative society whereby two or more people help each other or themselves in weeding" and other farm-related processes on a rotational basis); Emily Kawano & Julie Matthaei, *System Change: A Basic Primer to the Solidarity Economy*, *NONPROFIT Q.* (Jul. 8, 2020).

6 ETHAN MILLER, *SOLIDARITY ECONOMY: KEY CONCEPTS AND ISSUES* 5 [http://www.communityeconomies.org/sites/default/files/paper\\_attachment/Miller\\_Solidarity\\_Economy\\_Key\\_Issues\\_2010.pdf](http://www.communityeconomies.org/sites/default/files/paper_attachment/Miller_Solidarity_Economy_Key_Issues_2010.pdf) (last visited Apr. 21, 2023).

7 *What is the Solidarity Economy?*, *SOLIDARITY ECON. PRINCIPLES*, <https://solidarityeconomyprinciples.org/what-is-solidarity-economy-2/> (last visited Apr. 21, 2023).

8 Obery M. Hendricks, Jr., *The Uncompromising Anti-Capitalism of Martin Luther King Jr.*, *HUFF POST* (Jan. 20, 2014), <https://www.huffpost.com/entry/the-uncompromising-anti-capitalism-of-mar>

2007 U.S. Social Forum, hosted in Atlanta, was vital for integrating the energy toward building solidarity economies domestically after the World Social Forum of 2001 in Brazil.<sup>9</sup> When the COVID-19 pandemic began in 2020, Atlantans engaged in solidarity and mutual aid to care for each other amidst the state's failure to do so.<sup>10</sup>

*Worker Cooperatives in Atlanta.* Several Black, Atlanta-based organizers, activists, and community members believe worker cooperatives rooted in the solidarity economy can partially alleviate capitalism's dehumanizing impacts on laborers.<sup>11</sup> Worker cooperatives—businesses owned and managed by their workers—distribute their profits to, and foster democratic decision-making among, their workers instead of passive investors. They beg the question of why people who happen to have money, even if they do not live in a given country, should have corporate voting power and reap all of the surplus of laborers. By infusing solidarity economy principles, worker cooperatives offer an alternative to corporate structures and our capitalist economy. To this end, various groups have formed worker cooperatives in Atlanta using traditional corporate or limited liability company (LLC) structures because no Georgia law recognizes worker cooperatives as legal entities.<sup>12</sup>

*Georgia Enabling Statute & Movement Lawyering.* This Article analyzes a proposed law to recognize worker cooperative formation in Georgia and proposes how

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9 Rose Brewer, walda katz-fishman, & Jerome Scott, *USSF 3 Evaluation and Documentation*, U.S. Soc. F. (Apr. 10, 2016), <https://www.ussocialforum.net/ussf3-eval-and-documentation.pdf>.

10 See Ella Fassler, *Mutual Aid Groups That Arose During COVID Gather to Build Power Regionally*, TRUTHOUT.ORG (Jul. 10, 2022), <https://truthout.org/articles/mutual-aid-groups-that-arose-during-covid-gather-to-build-power-regionally/>; Steve Dubb, et. al, *Remaking the Economy: 3 City Case Studies in Mutual Aid*, NONPROFIT Q. (Oct. 29, 2020), <https://nonprofitquarterly.org/remaking-the-economy-mutual-aid-3-city-case-studies/>.

11 Julian Rose, *For Black Atlanta, the Path to Collective Liberation Lies in Economic Solidarity*, SHAREABLE (Feb. 23, 2023), <https://www.shareable.net/for-black-atlanta-the-path-to-collective-liberation-lies-in-economic-solidarity/>.

12 See Roland Hall, *Legal Corner: In What State Should We Organize Our Co-op?*, GA. COOPERATIVE DEV. CTR., <https://www.georgiacoopdc.org/legal-corner-state-organize-co-op-roland-hall-aury-hall-cook-llp/198/> (last visited Apr. 21, 2023).

movement lawyers can support organizers' efforts to build a solidarity economy through and beyond this bill.<sup>13</sup> First, it provides background on cooperative laws nationally and in Georgia. Then, within this context, it analyzes the proposed Georgia Limited Worker Cooperative Associations Act (the "GLWCAA"), noting its strengths and offering key questions, the answers to which may suggest changes to the draft bill. Finally, it discusses how policy is only one type of support movement lawyers have provided, and could provide, in expanding the solidarity economy in Atlanta.

## II. Historical Context and Significance of Cooperatives in America

*Origin Story.* Indigenous communities worldwide, including West Africans enslaved in the United States, had engaged in solidarity economies or cooperative economics for centuries before the American cooperative movement began in the 18<sup>th</sup> century.<sup>14</sup> Three common types of cooperatives are those owned by: (1) their workers (i.e., worker cooperatives), (2) the consumers of their services or products (i.e., consumer cooperatives like food cooperatives), and (3) the producers of their products (i.e., producer cooperatives like farmer cooperatives), though there are also hybrid, purchasing, agricultural, and other subcategories of cooperatives (e.g., housing).<sup>15</sup> In 1752, Benjamin Franklin founded the first American cooperative, a mutual fire insurance company owned by consumers of insurance policies that covered home fire damage.<sup>16</sup> Free Africans practiced solidarity economics through mutual

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13 *What We Can Do*, LAW 4 BLACK LIVES, <http://www.law4blacklives.org/respond> (last visited Apr. 21, 2023) (defining movement lawyering as "taking direction from directly impacted communities and from organizers, as opposed to imposing our leadership or expertise as legal advocates").

14 See GREG PATMORE & NIKOLA BALNAVE, *A GLOBAL HISTORY OF CO-OPERATIVE BUSINESS* 26-27 (2018) (describing how indigenous Ghanaians developed the *nmoboa* system that allowed farmers to share labor with each other as part of a larger collective and indigenous Burknafe farmers used *naams* to support both themselves and each other prior to colonization); LYNN PITMAN, *HISTORY OF COOPERATIVES IN THE UNITED STATES: AN OVERVIEW* 2 (Dec. 2018), [https://resources.uwcc.wisc.edu/History\\_of\\_Cooperatives.pdf](https://resources.uwcc.wisc.edu/History_of_Cooperatives.pdf).

15 See *What is a Co-op?*, NAT'L COOPERATIVE BUS. ASS'N CLUSA INT'L, <https://ncbaclusa.coop/resources/what-is-a-co-op/> (last visited Apr. 21, 2023).

16 PITMAN, *supra* note 14 at 2.

aid societies like the Free African Society in the early 1800s.<sup>17</sup> Agricultural cooperatives, owned by farmers aiming to strengthen their marketing power while lowering individual costs, started in the early 1800s.<sup>18</sup> Labor unions, including the National Labour Union and Knights of Labour, were instrumental in leveraging their organizing skills to facilitate the formation of some of the country's first worker cooperatives in the 1800s.<sup>19</sup> During this time, labor unions viewed worker cooperatives as a form of mutual aid and a method for building worker power.<sup>20</sup>

*Cooperative Legal Structures.* Before the passage of specialized cooperative statutes, “a cooperative was [typically] organized as a corporation for state law purposes.”<sup>21</sup> Traditional corporations allocate profits and voting rights based on how much capitalists invest, prioritize profits over people, and infuse other values antithetical to cooperatives. As a result, cooperative founders using the corporate form tend to face financial, corporate governance, taxation, and other legal hurdles to conform to cooperative principles. Two of the first states to pass a law enabling the creation of cooperatives were Michigan in 1865 and Massachusetts in 1866.<sup>22</sup> Several other states passed statutes before the turn of the century, followed by others between 1910 and 1925.<sup>23</sup> Among these was the first credit union statute, which Massachusetts passed in 1909.<sup>24</sup>

*Existing Cooperative Forms in Georgia.* Several types of cooperatives operate in Georgia. Farmers organized agricultural cooperatives in the 1800s and credit unions in the 1900s.<sup>25</sup> Georgia joined the second wave

17 JESSICA GORDON NEMBARD, *COLLECTIVE COURAGE: A HISTORY OF AFRICAN AMERICAN COOPERATIVE ECONOMIC THOUGHT AND PRACTICE* 42 (2014).

18 *Id.*

19 John Curl, *The Cooperative Movement in Century 21*, 4 *AFFINITIES: J. RADICAL THEORY,*

*CULTURE, & ACTION*, 12, 15-16 (2010).

20 *Id.*

21 Elaine Waterhouse Wilson, *Cooperatives: The First Social Enterprise*, 66 *DEPAUL L. REV.* 1013, 1028 (2017).

22 *Id.* at 1031.

23 *Id.*

24 PATMORE & BALNAVE, *supra* note 14 at 4.

25 Paul G. Brower, *Farm Cooperatives*, *NEW GEORGIA ENCYCLOPEDIA* (Sep. 30, 2005); *Our Story*, *ATLANTA POST CREDIT UNION*, <https://www.apcu.com/home/about-us/our-story> (last visited Apr. 21, 2023).

of states creating cooperatives statutes by passing the Georgia Cooperative Marketing Act (the “GCMA”) in 1921 and an enabling law for credit unions in 1925.<sup>26</sup> While the GCMA enabled the creation of agricultural cooperatives, the Georgia Electric Membership Corporation Act of 1937 (the “GEMCA”) and the Georgia Rural Telephone Cooperative Act of 1950 (the “GRTCA”) recognized electricity and rural telephone cooperatives.<sup>27</sup> These laws reflected the economic dynamics of Georgia and some other southern states. With World War I in the distant past, rural farmers struggled to meet their material needs independently. However, they continued to see cooperation as a more economical way to structure their enterprises. Addressing this need, Aaron Shapiro drafted and championed uniform marketing cooperative legislation in 1919 that served as the model for the GCMA and the marketing cooperative acts passed in other states over the next ten years.<sup>28</sup> Since the passage of the GCMA, the Georgia state legislature has made several amendments to the GCMA, the GEMCA, and the GRTCA to expand the scope of cooperative enterprises.

*Georgia Cooperatives: Reality & Impact.* Georgia has benefited in several ways from the cooperative movement. A recent study of Georgia's ecosystem showed around 320 known cooperatives in the state.<sup>29</sup> They have combined assets of \$29 billion, a revenue stream of \$6 million, over 3.5 million members, and 10,900 jobs created.<sup>30</sup> Research done by National Cooperative Business Association CLUSA International (“NCBA CLUSA”) reveals that over half of the state's cooperatives are credit unions (179).<sup>31</sup> In contrast, over 40 electric cooperatives are formed under the GEMCA, which comprise just over ten percent of all cooperatives.<sup>32</sup> At publication, there were twenty-four housing

26 Ga. Code Ann. §§ 2-10-80 - 111 (West 1921); Ga. Code Ann. §§ 46-3-170 - 541 (West 1937); Ga. Code Ann. §§ 46-5-60 - 105 (West 1950).

27 2 James S. Rankin, Jr., *Kaplan's Nadler Georgia Corporations, Limited Partnerships and Limited Liability Companies with Forms* § 16:12 (ed. 2022-2023).

28 PITMAN, *supra* note 14 at 4-5.

29 *Co-op State Snapshot: Georgia*, *NAT'L COOPERATIVE BUS. ASS'N CLUSA INT'L*, <https://ncbaclusa.coop/content/uploads/2018/09/georgia-FINAL.pdf> (last visited Apr. 21, 2023).

30 *Id.*

31 *Id.*

32 *Id.*

cooperatives, fifteen insurance cooperatives, fourteen farm supply cooperatives, and ten utility cooperatives in Georgia.<sup>33</sup>

*What's Missing in Georgia? Worker Cooperatives.* Unfortunately, NCBA CLUSA research does not capture the existing worker cooperatives in Georgia, presumably because of their small size and because the state has not adopted a worker cooperative statute to identify them quickly. However, there is growing interest in cities like Atlanta to create worker cooperatives, not merely as a means to institutions that empower workers but as tools that are key to the transition to an economy beyond capitalism. Informal research suggests over a dozen worker cooperatives operating in the Atlanta metropolitan area alone.<sup>34</sup> Absent a statute for worker cooperative formation, people interested in starting worker cooperatives utilize the state's existing Business Corporations Code, Limited Liability Company Act, or Nonprofit Corporation Code.<sup>35</sup> As discussed above, these alternatives have significant drawbacks (e.g., corporate governance, double taxation, labor law) compared to laws specifically designed for worker cooperatives.

### III. Legal Developments

*Cooperative Statutes in the United States.* Around half of the country has left Georgia behind and has already adopted a worker cooperative statute. These state-level developments have unfolded in one of four waves spanning several decades. The statutes these states adopted incorporate cooperative principles, such as worker ownership and democratic voting, that are missing from the conventional corporation or limited liability company statutes.

The first wave started with Massachusetts, which passed the nation's first worker cooperative law, the Employee Cooperative Corporations Act, in 1982.<sup>36</sup>

<sup>33</sup> *Id.*

<sup>34</sup> See *Connect*, GA. COOPERATIVE DEV. CTR., <https://www.georgiacoopdc.org/connect/> (last visited Apr. 21, 2023); Rose, *supra* note 11.

<sup>35</sup> Ga. Code Ann. §§ 14-2-101 - 1807 (West 1988); Ga. Code Ann. §§ 14-11-100 - 1109 (West 1993); Ga. Code Ann. §§ 14-3-101 - 1703 (West 1991).

<sup>36</sup> Mass. Gen. Laws Ann. ch. 157A, §§ 1 - 11 (1982); Lewis D. Solomon & Melissa B. Kirgis, *Business Cooperatives: A Primer*, 6

Over the next dozen years, Connecticut, New York, Oregon, and Washington passed substantively similar statutes dubbed the Massachusetts Model.<sup>37</sup> These statutes created cooperatives as corporations, allowed only for worker members, and incorporated important cooperative principles. During the same period, a second group of states, Alaska, California, Illinois, and Texas (now expired), passed laws that more closely mirrored the traditional corporate form.<sup>38</sup>

The second wave of worker cooperative laws, or “new state cooperative” or “new generation cooperative” laws, started in the early 2000s with Wyoming's Processing Cooperative Law and was followed by laws in Iowa, Minnesota, Tennessee, and Wisconsin.<sup>39</sup> They differed from the first wave by combining elements of traditional cooperatives with those of limited liability companies and enabling cooperatives to obtain capital from non-members. In addition, they permitted but were not limited to worker cooperatives.

Over the next ten years, a third wave of states, including Nebraska, Utah, Oklahoma, Washington D.C., Kentucky, Colorado, Missouri, Vermont, and Washington, approved laws based on the Uniform Limited Cooperative Association Act drafted by the National Conference of Commissioners on Uniform State Laws.<sup>40</sup>

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DEPAUL BUS. L.J. 233, 289 (1994) (stating “[t]his act was enacted in 1982, and became the first cooperative statute designed exclusively for worker cooperatives”).

<sup>37</sup> Solomon & Kirgis, *supra* note 36, at 238; Conn. Gen. Stat. Ann. §§ 33-418(f) - (o) (West 1987); N.Y. Coop. Corp. Law §§ 80 - 94 (West 1993); Or. Rev. Stat. Ann. §§ 62.765 - 792 (West 1993); Wash. Rev. Code Ann. §§ 23.78.010 - .900 (West 1994).

<sup>38</sup> Solomon & Kirgis, *supra* note 36, at 238; Alaska Stat. Ann. §§ 10.15.005 - 600 (West 1992); Cal. Corp. Code §§ 12200 - 12704 (West 1991); 805 Ill. Comp. Stat. Ann. 310/1 to 27 (West 1992); Tex. Rev. Civ. Stat. Ann. art. 1396-50.01 §§1 - 45 (West 1994).

<sup>39</sup> James B. Dean & Thomas Earl Geu, *The Uniform Limited Cooperative Association Act: An Introduction*, 13 DRAKE J. AGRIC. L. 63, 74-75 (2008); Wyo. Stat. Ann. §§17-10-201 - 253 (West 2008); Iowa Code Ann. § 501A.101 - 1216 (West 2005); Minn. Stat. Ann. § 308B.001 - 975 (West 2003); Tenn. Code Ann. § 43-38-101 - 1109 (West 2005); Wis. Stat. Ann. § 193.001 - .971 (West 2006).

<sup>40</sup> Neb. Rev. Stat. Ann. §§ 21-2901-21 - 29,134 (West 2007); Utah Code Ann. §§ 16-16-101 - 120 (West 2008); Okla. Stat. Ann. tit. 18, §§ 441-101 - 1704 (West 2009), D.C. Code Ann. §§ 29-1001.01 - 1015.08 (West 2011), Ky. Rev. Stat. Ann. § 272A.1-010 - 17-040 (West 2012), Colo. Rev. Stat. Ann. §§ 7-58-101 - 1704 (West 2011), Mo. Ann. Stat. §§ 351.1000 - 1228 (West 2011), Vt. Stat. Ann. tit. 11C, §§ 101 - 1703 (West 2011); Wash. Rev. Code Ann.

The limited cooperative association (the “LCA”) also allows for other types of cooperatives and more explicitly integrates non-worker, investor members.

Finally, California, in 2016, and Illinois, in 2020, tweaked the limited cooperative association to create new limited worker cooperative associations specific to worker cooperatives.<sup>41</sup> Notwithstanding these four periods of legislative support, several other states passed or amended statutes that either explicitly or indirectly recognized worker cooperatives over the years, including Alabama, Montana, New Mexico, Rhode Island, Virginia, and South Dakota.<sup>42</sup>

*Benefits of Georgia Worker Cooperative Bill.* Between 2021 and 2022, the Georgia Cooperative Development Center (the “Center”) drafted the Georgia Limited Worker Cooperative Association Act (the “GLWCAA”), which would recognize worker cooperatives as a distinct legal entity in Georgia.<sup>43</sup> In addition, the GLWCAA aims to benefit potential worker-owners in several ways, incorporating lessons from the first four waves of statutes.

First, as with the first wave statutes, the GLWCAA would enable worker-owners to use “cooperative” in their legal name, a point of pride and a signal of their unique values to customers and partners.<sup>44</sup> Further, the bill integrates cooperative values, including “one member, one vote” and the payment of surplus based on worker labor (i.e., patronage), ensuring worker

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§§ 23.100.0101 - 1573 (West 2019); *Limited Cooperative Association Act (2007)(Last Amended 2013)*, UNIF. L. COMM., <https://www.uniformlaws.org/viewdocument/final-act-82?CommunityKey=22f0235d-9d23-4fe0-ba9e-10f02ae0bfd0&tab=librarydocuments> (last visited Apr. 21, 2023).

41 Cal. Corp. Code §§ 12200 - 1207 (West 2016); 805 Ill. Comp. Stat. Ann. 317/1 to /99 (West 2020).

42 Ala. Code §§ 10A-11-1.01 - 11.15 (West 1975); Mont. Code Ann. §§ 35-15-101 - 507 (West 1895); N.M. Stat. Ann. §§ 53-4-1 - 45 (West 1939); 7 R.I. Gen. Laws Ann. §§ 7-6.2-1 - 12 (West 2017); Va. Code Ann. §§ 13.1-346 - 355 (West 2020); and S.D. Codified Laws §§ 47-15-1 - 47-18-28 (West 2018).

43 *Advocate: Our Proposed Legislation*, GA. COOPERATIVE DEV. CTR., <https://www.georgiacoopdc.org/advocate/> (last visited Apr. 21, 2023).

44 Georgia Cooperative Development Center, *Georgia Limited Worker Cooperative Association Act (“GLWCAA”)*, §14-12-204, <https://www.georgiacoopdc.org/wp-content/uploads/2022/12/Text-of-Georgia-LWCA-Act.pdf> (last visited Apr. 21, 2023).

control and direct financial benefit.<sup>45</sup> Third, following second-wave worker cooperative laws, the GLWCAA provides another avenue for raising capital by permitting cooperatives to have an investor class with no or minimal voting rights.<sup>46</sup> Fourth, the bill would allow worker-owners to bring in investors as another avenue for finance, which, as discussed later, could have negative consequences if not limited appropriately.

The GLWCA provides substantial tax and regulatory benefits consistent with the LCA laws. For example, it integrates limited liability company-like flexibility for the cooperative to opt for: (i) corporate taxation and avoid double taxation through the Internal Revenue Code or (ii) partnership taxation and potentially have flexibility concerning the migration status of future worker-owners.<sup>47</sup> The GLWCAA also ensures that member investments do not require the costly and lengthy registration process demanded by local and federal securities agencies.<sup>48</sup>

GCDC also introduced a few unique elements into the GLWCAA. Unlike any other statutes and responsive to growing concerns around conflict in worker cooperatives, the GLWCAA includes an expulsion provision for members that requires a fair and reasonable process done in good faith.<sup>49</sup> The emphasis on process protects a member from arbitrary removal from the cooperative.

*Open Questions regarding the GLWCAA.* Even with these features, the GLWCAA raises several potential questions that a community-led process could resolve. The list of questions includes the following:

1. To what extent did the Center engage directly with existing and future worker-owners, mainly Black, brown, and indigenous worker-owners? Engaging marginalized worker-owners ensures that the bill addresses diverse needs in its initial form before negotiations and amendments

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45 *Id.* at §14-12-101(10).

46 *Id.* at §14-12-101(4) (defining investor members).

47 *Other Tax Status Options for a Worker Cooperative*, CO-OPLAW.ORG, <https://www.co-oplaw.org/knowledge-base/other-tax-status-options-for-a-worker-cooperative/> (last visited Apr. 21, 2023).

48 GLWCAA, *supra* note 44 at §14-12-706.

49 *Id.* at §14-12-405.

during the legislative process.

2. Are there any concerns about investor member co-optation of worker cooperative voting if worker-owners maintain only a majority of the voting power?<sup>50</sup> LCA critics worry that savvy investors could indirectly control a worker cooperative unless there is: (i) a higher threshold for worker-owner voting power (e.g., 80% instead of 51%), (ii) a cap on investor member voting power (e.g., 20%), or (iii) no voting power for investor members (i.e., equity-only, non-voting shares).
3. Should there be language rooted in a solidarity economy framework (e.g., equity in all forms, regeneration) that more accurately speaks to this bill's goals instead of neoliberal, capitalist language such as "intergenerational wealth building" and "freedom of contract"? Including solidarity economy language could signal that this bill is also concerned with lifting those currently on the margins and advancing the planet's sustainability.
4. Does the bill provide enough flexibility to allow multiple stakeholders aside from workers and investors, such as consumers or producers? For people interested in a multi-stakeholder cooperative, clear avenues to bring in different classes of members would make the GWLCAA more accessible and avoid a need for a second bill.
5. Should the bill include any incentives (e.g., procurement, built-in funding) or other exemptions (e.g., taxes)? Given that several cities, including New York City and Chicago, have initiatives to support the worker cooperative ecosystem through different policies, the GLWCAA could be an avenue to include some of those types of incentives on the front end.

#### A. Movement Lawyering For and Beyond the Bill

*Background on Movement Lawyering.* A movement lawyering framework could help initiate the process of

<sup>50</sup> *Id.* at §14-12-402(e).

transforming labor relationships through worker cooperatives. Movement lawyering is an approach whereby the lawyer partners with and empowers community-based leaders and organizers who identify the needs and the strategies for supporting their communities.<sup>51</sup> It pushes back against the lawyering model that centers the law and the lawyer as the primary avenue for needed change by recognizing how the law is a conservative tool that upholds the status quo power arrangements rooted in exploitation and oppression. Alexi and Jim Freeman posit four loci of influence lawyers can interrogate with communities to go beyond policy: (i) political; (ii) communications and media; (iii) grassroots support; and (iv) legal support.<sup>52</sup> Further, Renee Hatcher offers solidarity economy lawyering as a framework that integrates a movement lawyering approach to building this alternative economy.<sup>53</sup>

*Examples of Movement Lawyering for Worker Cooperatives.* When supporting the solidarity economy movements in California and Illinois, local lawyers supported in each of the four areas, including campaign strategy (i.e., political), educational materials development (i.e., communications), event hosting (i.e., grassroots support), sample governance document drafting (i.e., legal), and so much more.<sup>54</sup> The result of this work has arguably gone beyond securing the passage of these statutes to include ecosystem building, fundraising, ongoing political education, and power building among community members.

<sup>51</sup> See Scott L. Cummings, *Movement Lawyering*, 2017 U. ILL. L. REV. 1645, 1656–57 (2017); Azadeh Shahshahani, *Movement Lawyering: A Case Study in the U.S. South*, 5 HOW. HUM. & C.R.L. REV. 45, 47–49 (2020).

<sup>52</sup> Alexi Nunn Freeman & Jim Freeman, *It's About Power, Not Policy: Movement Lawyering for Large-Scale Social Change*, 23 CLINICAL L. REV. 147, 156 (2016).

<sup>53</sup> See Renee Hatcher, *Solidarity Economy Lawyering*, 8 TENN. J. RACE GENDER & SOC. JUST. 23 (2019).

<sup>54</sup> See, e.g., *CA Worker Cooperative Act*, SUSTAINABLE ECONOMIES L. CTR., <https://www.theselc.org/ca-worker-cooperative-act> (last visited Apr. 21, 2023) (describing the proposed worker cooperative act and strategies for supporting the movement to pass the act); ILLINOIS WORKER COOPERATIVE ALLIANCE & THE JOHN MARSHALL LAW SCHOOL-CHICAGO BUSINESS ENTERPRISE LAW CLINIC, COOPERATION CHICAGO: BUILDING CHICAGO'S WORKER COOPERATIVE ECOSYSTEM 15-17 (Aug. 2018), [https://geo.coop/sites/default/files/cooperation\\_chicago\\_-\\_rev\\_082418.pdf](https://geo.coop/sites/default/files/cooperation_chicago_-_rev_082418.pdf) (describing policy recommendations for the passage of a worker cooperative law and other policies).

*Lawyering for the GLWCAA.* Georgia lawyers have already shown up in several ways to support worker cooperatives. First, lawyers have provided direct legal services for people forming worker cooperatives using the current legal tools (i.e., corporations and limited liability companies). Second, leveraging this experience, local lawyers researched existing laws and drafted the GLWCAA to adequately shift local policy to meet prospective worker owners' needs. This effort directly responds to the need for a legal form for worker cooperatives as articulated by Georgia worker-owners and worker cooperative developers. However, to engage in movement lawyering, lawyers must transcend policy supporting the empowerment of local communities and push for economic relationships rooted in solidarity.

*Movement Lawyering beyond the GLWCAA.* In addition to what lawyers have done, I will offer here other potential interventions. From a political standpoint, movement lawyers could continue identifying and collaborating with local organizers, community members, worker-owners, developers, and others interested in this work. Such lawyers could support infrastructure development for a larger formation or coalition where helpful. In a previous job, I often helped coalitions think through governance issues such as membership, voting, committee structures, and related processes.

Once lawyers identify the people to whom they can be accountable, if this has not already taken place, they can support with co-developing campaign strategy (e.g., determining who has the power to make the changes our people want and avenues, including law-related, for realizing such changes). These efforts could include drafting a proposal or white paper outlining demands, sharing knowledge and skills to support organizers' leadership, and connecting organizers with advocacy opportunities, resources, and critical networks. Further, such efforts could include meeting with state legislators to promote the GLWCAA and other initiatives the coalition prioritizes.

From a communications and media standpoint, lawyers could help craft public messaging supporting worker cooperatives and the larger solidarity economy. Lawyers can translate the legalese from policies or

court decisions and distill the information in ways that best fit the story that local organizers are trying to tell about a new world that is possible. Further, lawyers can help elevate the critical work organizers are doing by connecting organizers with media opportunities. Thirdly, lawyers can also advance organizers' work with their pens and keyboard by drafting or editing public-facing materials to ensure they accurately cover legal issues.

Movement lawyers could also support grassroots organizing by participating in political education about the solidarity economy. One concern is that movement lawyers preach to the choir instead of engaging the uninitiated. To advance the cause of the solidarity economy, movement lawyers must prioritize meeting the community where it is: local community centers, libraries, elementary schools, basketball courts, and churches. Lawyers could also co-lead workshops with local organizers and co-develop curricula around legal issues impacting worker cooperatives. Finally, lawyers can continue to do legal research on topics that come up and provide direct client services to worker-owners.

#### IV. Conclusion

To end the suffering that so many Atlantans and people beyond are experiencing, we must create new ways — and reclaim old ways — of structuring our economy rooted in solidarity. Recognizing this, Atlanta organizers have supported the formation of worker cooperatives for years. However, despite the proliferation of worker cooperative statutes throughout the country, Georgia does not have one. The GWLCAA aims to fix that problem.

This Article argued for using a movement lawyering framework to get the short-term win of passing the GWLCAA and long-term successes in alignment with the aspirations of local organizing to transform the local economy. The GWLCAA is just one part of the multi-layered work that movement lawyers can do to support building such an economy in Georgia — a meaningful first step. However, given the law's limitations and whether for-profit or for-the-people, a worker cooperative statute can only lower an intermediate barrier to worker cooperative formation. It cannot, on its own, shift the power needed to bring about a soli-



parity economy in Georgia. Despite the noted advantages of this bill, movement lawyers can help support organizers through political, communications, grassroots organizing, and legal strategies.