



**Statement of the Pennsylvania Federation of Fraternal and Social Organizations on
COVID-19 Impacts on Clubs
Presented to the Commerce Committee by
Ted Mowatt, CAE
Executive Director
February 3, 2021**

**Ted Mowatt, CAE
Executive Director
PA Federation of Fraternal & Social Organizations
908 North Second Street
Harrisburg, PA 17102
717-441-6048
FAX 717-236-2046
Tmowatt@wannerassoc.com**

Good morning. Chairman Roae, Chairman Galloway, and members of the House Commerce Committee, I would like to thank you for the opportunity to present testimony today on how the on-going COVID-19 pandemic has impacted on clubs and bars.

By way of background, since this is my first time testifying on behalf of this committee, as opposed to Liquor Control or Gaming Oversight, where we are fairly regulars, the Pennsylvania Federation of Fraternal and Social Organizations (PFFSO) is a statewide association of nearly 500 social clubs, veterans clubs, fire companies and other non-profit service organizations, most of whom hold liquor licenses. Our clubs provide numerous charitable works in the local communities, funded largely, by law, by small games of chance. All members of this committee likely are familiar with one or more of our member clubs.

My message will be brief – HELP!! The committee heard, again, from the restaurants this week, and not to say they don't need continued help, but the General Assembly took a number of actions to get them at least some new ways to stay open during the pandemic (aside from the ones that were vetoed), but the same cannot be said for clubs. Letting us use Small games of Chance proceeds during and after the disaster proclamation period is all well and good, but if we can't be open because of the seating limits and no ability to sell takeout beer, even, let alone mixed drinks and bottles, there isn't much SGOC being played. These are all things that we have pleaded with the Liquor and Gaming Oversight Committees last year and into this one, but it's a little newer for us to make our case in Commerce. To be fair, the House DID do some additional legislation that we supported last session, but for some reason the Senate chose not to help us in meaningful, immediate ways, like they did for our restaurant and distributor friends. Our veterans, social and service clubs and fire companies deserve better.

We watched with interest the hearing last week involving restaurants, and believe that the presenters today will be sharing similar concerns from their perspectives. We have frankly had difficulty communicating with our members to determine the full scope of the impact of the pandemic on their operations, since so many have just been closed for most of the year. Many of our clubs have not been able to take advantage of the federal stimulus programs, as they are the "wrong" 501 (C) categories. Even some of the bills that are currently moving in the House and Senate for small businesses and restaurants have been constructed to exclude club licensees, for some reason that escapes us. We ARE employers, even though we have a non-profit, volunteer board structure, rather than an independent ownership one. Many of our employees have been furloughed, and become subject to the difficult unemployment system that is in the news on a daily basis. We, too, struggle with inventory issues, when the latest shutdowns are imposed with little notice. The notices themselves generally make little

or no reference to clubs, yet when we seek clarification, we are told that they do apply to us. Why don't they just say that?

In short, clubs seem to be forgotten in all of this, for reasons we can't comprehend. We are good community citizens, comprised in many cases of members of our greatest generation, as well as our current heroes. Thank you for this opportunity to make our case for attention as well as our friends in establishments down the street.

We appreciate this opportunity to comment and will certainly be interested in seeing how it plays out. Thank you again for this opportunity, and I would welcome any questions.