

PA Association of Nationally Chartered Organizations
Written Testimony
House Commerce Committee
February 3, 2021

The Pennsylvania Association of Nationally Chartered Organizations (PANCO) thanks Chairman Roae and Chairman Galloway the opportunity to present written testimony before the House Commerce Committee. PANCO is primarily comprised of individual aeries, lodges and posts from the Fraternal Order of Eagles, Benevolent and Protective Order of Elks, and Loyal Order of Moose. We also count among our membership individual posts from other nationally chartered organizations.

The global pandemic of Covid-19 has had a devastating blow to the hospitality industry in which clubs are an integral part. In many communities we are an important aspect of community life. Not only do we serve our respective memberships, but we also serve the public by renting our facilities for events, providing aid to our local charitable institutions, supporting youth sports activities, and providing scholarships, just name a few. When the Governor ordered a statewide closure of indoor dining beginning March 17, our members suffered a great loss.

While the directives of the Governor's order allowed for carry-out, delivery and drive-through food and beverage services, many of our members closed their doors. In many cases the ability to provide those services where not physically or financially feasible. Furthermore we are hampered by the fact that our members are not permitted to sell brewed and malt beverages for off-premises consumption. Legislative action over the summer of 2020 permitted restaurant licensees the privilege to sell mixed drinks to go, our members were not included. As a result, most of our members remained closed during the no indoor dining edict.

In June the Governor allowed for outdoor dining to take place with strict adherence to mitigation requirements and occupancy limits. While this was an improvement many of our members remained closed due to the physical limitations of establishing outdoor dining areas. Some simply did not have the physical local to offer that service. As the summer continued on the Governor allowed for restricted indoor dining limited to 25% occupancy and in September allowed for 50% occupancy based on self-certification. Throughout all of this, those of our members who remained open did so on reduced hours of operation. Some opened and closed their facilities numerous times as mitigation orders changed.

Our members have been financially challenged throughout this disaster emergency. The sharp decline in revenue has had various effects on our members. For those that opted to continue operations; some have been able to take out commercial loans to help cover operating expenses, very few others have participated in federal funding programs and others are just making it by utilizing financial reserves. We will experience the permanent closure of some of our members.

It should be noted that our segment of the industry does provide jobs within our communities. Because of the precarious situation that we find ourselves, we have been forced to layoff many of our employees, forcing them to rely on unemployment compensation.

Legislation to date has addressed some of our concerns. The passage of Act 118 of 2020 will help as we reopen our businesses fully. Currently HB 290 seeks to give us a safe way to conduct our small games of chance. But these are only band aids to the financial toll that the pandemic has brought on all of us. Grant programs that have been and are being discussed have not included our segment of the industry. Our members provide valuable services to their communities and without help from the Commonwealth, many of these services will cease.

Like others in the hospitality industry we are suffering great and undue hardships. Our members have provided time honored services to their membership and communities. It would be a great tragedy to see them fail under these circumstances.

Thomas W. Helsel, Jr.
Secretary
PA Association of Nationally Chartered Organizations
717-623-5061