



Testimony

Submitted on behalf of the
Pennsylvania Chamber of Business and Industry

Public Hearing on the COVID-19 Pandemic & Response

Before the:
**Senate Committees on Veterans Affairs & Emergency Preparedness
and Economic & Recreational Development**

Presented by:
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Good morning Chairmen Killion, Regan, Williams and Iovino and members of the Community, Economic and Recreational Development Committee and the Veterans Affairs and Emergency Preparedness Committee, and thank you for having me here today. My name is Gene Barr, President and CEO of the PA Chamber – the largest, broad-based business advocacy organization in the Commonwealth. Our membership consists of sole proprietors to Fortune 500 companies, representing all industry sectors in every region of the state. Thank you for providing me with the opportunity to present the perspective of the Pennsylvania Chamber of Business and Industry on the impact of the COVID-19 pandemic on the Commonwealth’s business community and economic climate.

Prior to the outbreak of COVID-19 in the United States, Pennsylvania was on a positive trajectory. Our economy was doing well, with state revenues coming in slightly higher than anticipated, and unemployment levels were consistently low. Fast-forward a mere few weeks and we now find ourselves in a completely opposite and unprecedented scenario, with the state expected to face a multi-billion shortfall in the coming fiscal year and our unemployment system bursting at the seams with an unprecedented spike in claims. The pandemic has thrust the Commonwealth – and our country as a whole – into uncharted territory as elected officials at the federal, state and local levels seek to achieve the delicate balance of protecting the public health, while at the same time hoping to prevent a complete economic shutdown.

We appreciate the important efforts the General Assembly have taken to respond to this crisis. And we also appreciate the work of the Wolf administration to mitigate the spread of COVID-19, as well as the efforts and sacrifices of businesses and citizens across Pennsylvania, who have experienced the economic and emotional toll of significant restrictions and closures over the last several weeks. Since the state began its mitigation efforts, the PA Chamber has served as a key resource for the Commonwealth’s broad-based business community in navigating the pandemic. A resources page on our website provides updated and factual information for employers to bring them clarity on the evolving situation. Our efforts have also included holding weekly webinars – with attendance in the thousands – featuring a variety of speakers, including Secretary of the Department of Health Dr. Rachel Levine, representatives from the state Department of Labor & Industry, officials from the Small Business Administration; as well as from the U.S. Chamber. We have kept our membership apprised of orders from the state; as well as financial assistance programs at the state and federal levels through several methods of communication.

Our work at this critical time has not been without its challenges. Following the governor’s business closure order, our members reported much confusion with the administration’s definition of a “life-sustaining” or “essential” business – as well as with the waiver process that was ultimately developed. Our staff, while working remotely, fielded hundreds of inquiries from employers seeking greater clarification. Very quickly we realized that the order would present supply chain issues; and conveyed these concerns to the administration. Additionally, we have been in regular communication with the Department of Community and Economic Development as the agency has worked to address more than 40,000 waiver requests. From the beginning, we have advocated for Pennsylvania to adopt the guidelines issued by the Department of Homeland Security’s Cybersecurity and Infrastructure Security Agency – which would have provided a standard for determining waiver exemptions. Similar standards have been adopted in many other states – including California, Ohio, Indiana and Maryland. It’s important to keep in mind that even during this pandemic, Pennsylvania is competing against other states for jobs and investment. While the focus on the public health must remain a top priority, we can’t afford to keep industries – which could be operating in a safe manner under existing guidelines from the Center for Disease Control – shuttered. It will only serve to exacerbate our economic challenges in the long-term. A recent survey conducted by the U.S. Chamber found that one in four small businesses are two months or less from permanently closing. New concerns, questions and confusions have emerged from the recent order by the administration requiring employers who have been permitted to keep their physical operations open to provide their employees with personal protective

equipment, or PPE. We hope greater clarity will be provided going forward and enforcers will work with employers rather than unduly penalizing those attempting in good faith to comply.

As the Commonwealth looks to the next phase of facilitating economic recovery, the PA Chamber has developed “Bringing PA Back” – an initiative that will focus on ways to energize the Commonwealth’s economy while helping businesses safely re-open their facilities. As part of this effort, we have had ongoing discussions with local chambers, statewide business and local government groups on what is needed to move forward and jumpstart the economy. The core focus of this initiative will be to provide employers with critical information as they prepare to re-open. This includes guidance on workplace readiness – such as cleaning and safety standards; employment opportunities; best practices from those businesses that have continued operations throughout the crisis; and policy recommendations that will help to revive Pennsylvania’s economy. This information will all be housed on an interactive, user-friendly website.

The PA Chamber looks forward to working with the administration and lawmakers on a re-opening plan that allows for a smooth, responsible and safe transition back to work, while also ensuring enforcement of fraud protections in Pennsylvania’s unemployment compensation system, as well as liability protections for employers, particularly manufacturers and the brave men and women in our healthcare industry who have been on the front lines in combatting this virus.

The business community has made tremendous sacrifices during this time, as have our state’s workers, first responders, healthcare professionals and those on the front line. But our state has the strengths in healthcare, medicine, energy, manufacturing, telecommunications, and education to come back from this pandemic stronger than ever. Our members are up for the challenge of leading our state forward, safely and responsibly, but we need collaboration from the General Assembly and the Wolf administration to do it.

Thank you. I’d be happy to answer any questions.