



**Lancaster Chamber**

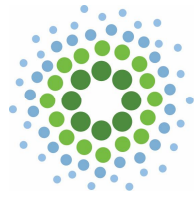
Testimony of Thomas T. Baldrige  
President and CEO  
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on  
COVID Impact on PA Small Businesses

before the  
Pennsylvania State Senate Majority Policy Committee

By Videoconference

April 13, 2021



Let me start by noting that in the limited time I have, I have chosen not to look backwards. Yes, there are lessons to be learned and fixes that are required (essential/non-essential businesses lists; the unemployment compensation system; and the frustrations over consistently moving targets, to name a few...and, to be crystal clear, these items need attention!), but the reality is the crisis isn't over yet. And, for that reason, I would prefer to focus on the immediate future and the ways in which the state can best help small business now.

To set the stage, I'd ask you all to think about supply chains, something that's been at the forefront of much of businesses COVID struggles. However, it's a community-wide supply chain that I'd like to focus on in three areas.

First, we need to keep doing all we can to ensure public health and safety as a key component to getting back to business for everyone. Fact is, despite the hope that the worst is behind us, Lancaster County is still tracking with a case rate of twice that of last summer. And, a 9.4% positivity rate, almost twice that of CDC benchmarks.

Therefore, the best thing we can do is ensure a comprehensive vaccine infrastructure with adequate supply; continued promotion of all the recommended mitigation factors, while encouraging as much economic activity/opening as is safely possible; work with schools and childcare/summer care to enable their safe opening so parents can get back to work; and promote ongoing messaging about the importance of fighting this together.

Simply put, nothing will help business more. And taking a lead with unified messaging really doesn't cost a thing.

Second, we do need quick action to on business assistance and, to that end, I believe the package of bills being advanced by our own Senator Ryan Aument and others is a key component for recovery. Creating new loan and tax credit programs, adjusting state tax laws and cutting red tape would address some of the critical barriers businesses face as they look to recover. Frankly, these adjustments wouldn't just help businesses now when they need it most, but they would also help Pennsylvania's economic climate for the long haul.

And, third, I can't talk small business recovery without mentioning workforce. Simply put, we are in a workforce crisis at the moment in Lancaster County that is echoed throughout the state and country and it seems to be the biggest impediment to economic recovery. Regardless of industry or job title, the search for workers has become an almost desperate race against the clock as companies try to position themselves to fully leverage the economic rebound.

Whether it be due to personal safety concerns, additional unemployment benefits, childcare or transportation issues and/or the changing skill needs/skill mismatch of our economy, it is the critical shortage of workforce—and all the factors that surround it—that I believe requires your highest priority attention. A recent front-page article in the Sunday LNP (included as an attachment) does a great job at summarizing the challenge and, perhaps, can be best summed up by a sign that was



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posted at the New Holland Family Restaurant, “We are hiring for anyone who actually wants to work.” To be honest, this is the issue that keeps me up at night.

One final thought. The federal American Rescue Act has provided billions of dollars to Pennsylvania state and local governments, schools and other targeted sectors of the Commonwealth and, as such, provides a once-in-a-lifetime opportunity to create impact and improve our overall economic climate for the long term. It is my hope that the state take a very intentional look at the opportunity to fully leverage these funds for their longest, biggest impact and that you consider encouraging local governments and others to do the same.

Please note, as a supplement to this testimony I offer a recent Sunday LNP news story, the latest Lancaster County data from Discover Lancaster and a snapshot of our current workforce situation as prepared by the Lancaster County Workforce Development Board.

Again, thank you for the opportunity to speak with you this morning.