

**TESTIMONY**

**OF**

**PATSY STUKE**  
**AMERICAN OSAGE CONSULTING, INC.**  
**8700 MONROVIA, SUITE 310**  
**LENEXA, KS 66215**

**BEFORE STATE OF KANSAS**

**HOUSE COMMERCE COMMITTEE**

**Re: HB 2450**  
**“KANSAS SMALL & DISADVANTAGES BUSINESS**  
**DEVELOPMENT ACT”**

**FEBRUARY 20, 2012**

**TOPEKA, KANSAS**

## **COMMERCE COMMITTEE TESTIMONY**

Good afternoon, Chairman Brown and members of the Committee. My name is Patsy Stuke. I have been a Kansas resident for most of my life. Thank you for allowing me to testify in support of House Bill 2450. My company, American Osage Consulting, Inc., is located in Lenexa, Kansas. I am 94% owner of our safety and environmental consulting company. I started the company in December, 2002. I have over thirty years of management experience in both private and public corporations. I started my company because I felt the need to provide clients (both government and public) in the area the best service possible in our field of consulting. We have 3 full time and 2 part time employees. American Osage takes advantage of other small business resources when we need them to complete a job.

I am Native American. Currently, I serve on the board of the National Native American Chamber of Commerce in Kansas City. I serve on the board for the Diversity Business Connection with the Greater Kansas City Chamber of Commerce. I formerly served on the Board of the National Association of Women Business Owners. In addition, I serve as a volunteer with the Lenexa Police Department.

We are members of the Mid American Minority Business Development Council. American Osage was awarded the State of Kansas Minority Owned Business in 2007 by the Kansas Department of Commerce, the Professional Services Award in 2006 in Kansas City during Minority Business Development week, and 2009 Supplier of the Year by the Mid America Minority Business Development Council. American Osage Consulting is an SBA 8(a) company. We are certified as WBE/MBE with the State of Missouri; registered with MODOT as DBE; certified with Mid American Minority Business Development Council as an MBE, certified by the City of Kansas City, Missouri as an MBE, and State of Kansas as a DBE/WBE/MBE.

There is a woman business owner in India I am mentoring under the Peace Through Business program and she looks forward to hearing from me about how small businesses get things done in the United States. She thinks our small businesses have it very well here. She is wrong. Small, minority and women owned businesses are struggling right here in Kansas. Our company has watched our sales increase and our profit decrease due to extra burdens being placed on us. Our professional and general liability insurance last year TRIPLED. In the 10 years we have been in business we have never had an insurance claim – not worker's comp, not general, not professional liability. Yet our insurance tripled last year.

In 2007, our KS unemployment tax rate was 2.36%. In 2011, our KS unemployment tax rate was 5.4%. We have never had a claim against our account. Yet the rate has almost doubled in those four years. It's like we are being penalized by our state for staying in business.

Small businesses constantly find innovative ways to cut expenses; we increase our working hours with no increase in pay; and we make sacrifices. Why? For me personally, it is because I like my job. I like helping people. I like giving back to my community and making it safer through environmental changes.

I have a short story. In 2008 I attended a luncheon in Topeka. I sat next to the head of a department within the State of Kansas and her office is located in Topeka. In conversation, after understanding the type of work we did, she proceeded to explain to me an environmental issue that had been going on for months within her department. The issue had not been resolved and was of a great concern to her. Because the state had a contract with a large company vendor, they had been relying on them for assistance and were required to use them. This large company had staff on site several times but had not resolved the issue. She asked if she could get approval and find some funding would we be willing to look for a solution. I said "yes". It took three trips to Topeka from Lenexa to locate and solve that problem, but a small business did it! It was a limited fixed fee and we had planned 1 or possibly 2 trips....not three. Let me just say that job was not a money maker for us, but we did find a solution and

solve a problem for the State of Kansas. That's just how a small business gets things done.

It's interesting when individuals are running for office we hear over and over again how they are going to help small businesses. The truth is .....they don't. At the Federal and at the State level when it is election time it is all about small business....because the people running for office know that small businesses are what keep this country going and the company owners vote. We set our expectations high and then find out we are quickly forgotten by the very people we just elected. My question is, "When do the small businesses get your help?"

Small businesses aren't looking for a handout....they are looking for a hand up. And we look to our legislative members to do what they say they are going to do....assist small businesses. Again, I ask, "When do the small businesses get your help?"

American Osage Consulting was started with "zero" clients. The percentage of our business done in the Kansas City area the first 3 years we were in business averaged 20%, the rest was out of state. We found work where we could. After we had been in business a number of years we were able to apply for certification with various government agencies and companies. In 2011 seventy-two percent (72%) of our clients were in the Kansas City market and surrounding areas. We have increased sub-contract and prime contract work with the State

of Missouri; the City of Kansas City, Missouri; and private companies in Missouri due to their MBE/WBE goals. One of the first questions we get asked locally is “are you certified?” My response is “Yes, AND we do great work too!” Last year 67% of our clients were repeat customers. We appreciate the effort other states and entities have put forth to assist qualified small, minority and woman-owned businesses. The City of Kansas City and the State of Missouri have a system in place for monitoring and holding all parties accountable. We appreciate the steps the Unified Government of Wyandotte County/Kansas City, Kansas has taken to put requirements in place for MBE/WBE companies and small businesses. I, personally, appreciate Rhonda Harris and the work she has done to recognize and help us as a small business.

In closing, I have one question, “When do small businesses get your help”?

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