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# SSACC, INC

May 21<sup>st</sup>, 2009

The Honorable Mary L. Landrieu  
United States Senate  
Committee on Small Business & Entrepreneurship  
Washington, DC 20510-6350

“The Roll of Small Business in Stimulus Contracting”

Madam Chairwoman, Senator Landrieu it is an honor to be here before you today. On behalf of Women First and President Joann Payne, we wish to thank you for your support over the years and commend you on all that you have been able to do in an effort to support women and minorities through out your career as a senator. I have been a trustee for Women First since 1988 and it has been an honor to come to Washington, DC and see the positive changes that have taken place in our sector of the highway construction industry.

Good morning, my name is Sharon Arnold and I am President of SSACC, Inc., a landscaping subcontractor located in Pontiac, Illinois. My company is a small landscaping business that works out of the northern third of Illinois.

As most small businesses go, we slowly made our name and established our company as a reliable, dependable landscaping subcontractor. In 2007, we completed ninety percent of the landscaping on the last thirteen mile section of Interstate 355.

Less than one year later, in December 2008 our work under contract was not at the necessary volume that would allow us to start up in 2009. With that in mind, after twenty-two years in business, there was little hope for the future. I had to lay everyone off, including myself, in an attempt to minimize costs in an effort to try and salvage the business. All of my employees had to go on unemployment. With the economy being what it was my company was in dire straits with little hope of a future. Most of my key people have been with me for fifteen to twenty-one years.

Illinois has had the misfortune of not having a working Capital Bill in almost five years. And, regrettably President Bush nor our previous governor knew or understood the importance of the Highway Construction Industry to the financial well being of our country and state. These issues have compounded the industry and made competition extreme. Companies are bidding at direct field costs which is why as President Obama stated projects on the special road lettings generated by the stimulus bill were coming in under estimates by 15-20 percent; which has allowed additional projects to be included in the bidding process due to the extreme competition in the industry.



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Every dollar we spend in Highway Construction Industry rolls back into the economy seven to eight times. These are not borrowed monies that we have to pay back, it is funded by the Highway Trust Fund. It provides a much needed service that keeps commerce running and providing services to all areas of business.

Regrettably, Illinois has chosen to use consultants in the field as Resident Engineers. Their fees come directly out of the Highway Road Fund and therefore, reducing the dollar volume which can be used in building the highways. Currently, Illinois is trying to rid state government of thousands of politically appointed workers and board members brought on by former Governors George Ryan and Rod Blagojevich.

The Speaker of the Illinois House, Michael Madigan has stated that "He did not think state government would be paralyzed if state boards and agencies lost hundreds and thousands of appointees and workers in a short period." "Day to day functioning doesn't depend so much on directors or assistant directors." "It is the people below them". He has replaced one of the best Secretary of Transportation, a professional engineer who worked in the highway industry, with a State Representative who is an Accountant.

Our entire economy is tied to this new stimulus bill which is giving the Highway Construction Industry the much needed boost to survive the down turn we are experiencing. This, in part, is due to lack of direction on the federal and state levels which is compounded in Illinois because we have not had a Capital Bill for the last five years. As goes the Highway Construction Industry, so goes the entire economy of our country. It is that paramount and without a viable highway construction industry, we are experiencing a reverse of the positive effect of the trickle down of good business management across our country and state.

It was because of the Highway Construction Industry which first mandated that minorities and women would be included in federally funded projects. And, because of the DBE program, it is saving the small business community. The mega-firms and conglomerates want all of the work. These mega firms have started subcontracting work to other mega firms to avoid using the small business subcontractors. The majority small business firms, under \$17M in annual sales for three consecutive years, have legitimate concerns of being bought out or pushed out.

If we were to lose the DBE program, we would lose the back bone of America. Small business is what runs our economy and the biggest player is the extremely competitive Highway Construction Industry. Minorities and women have been given only the opportunity to bid because of the DBE program.

In February, 2009 under the leadership of President Obama, the American Recovery and Reinvestment Act was passed. The Recovery Act has given the State of Illinois the much needed influx of highway construction monies. Because of the Recovery Act, we do have the hope and opportunity of continuing to work, the hope for survival, the hope we can keep our employees working and pay our debt, and live the American dream.

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Which as far as I am concerned is what I have been living because I worked fifteen years for a prime contractor during the good old boy era. I know I would never have had the opportunity to start my own business if it were not for the DBE program. The mass of women in general, would not have been able to start their own businesses.

I truly commend President Reagan administration for having the foresight to include minorities and women in the federal highway program. The DBE program has saved small business and given minorities and women the opportunity to bid, that in turn gave women the opportunity, in mass, to start their own businesses.

Madam Chairwoman Landrieu and Committee Members, thank you for this opportunity today.

Sincerely,

Sharon Arnold  
President

Sharon Arnold, President  
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1971 – started working for a prime contractor; know and understand the good old boy system.

1986 – recommendation from Bob Blasius, District Engineer in my home district, that I should be come a Certified WBE. Became certified in June, 1986

1988 – joined Women First, Joann Payne, President as a trustee and have been coming to Washington, DC ever since. Lobbying for Women's Issues and working with the Civil Right's Committee.

1991 & 1999 – received the 'Most Outstanding WBE' award from IDOT

1992 – received special commendation award from FHWA

1998 – my letter of discrimination was read on the floor of Congress by Carol Mosley Braun.

The Senate Committee on Small Business and Entrepreneurship

“The Role of Small Business in Stimulus Contracting”

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