



## **Recap of the First-Ever Policy Briefing Call: The “State of the State” of the California Golf Industry Sponsored by the California Alliance for Golf (CAG)**

A call-in briefing was held on April 16 to launch CAG’s Spring 2009’s efforts on behalf of the golf industry in California, particularly in the areas of tax and water.

For those of you unable to make the call, the following recap covers the key points. Leading the call was CAG’s Executive Director Bob Bouchier, joined by CAG’s lobbyist Steve Baker and CAG’s public relations specialist Stephen Kulieke.

### **Introduction: In 2009, Golf Industry’s Voices are Heard in California**

- For the last few months, CAG has led the way as the coordinating entity for golf statewide.
- For too long a time, the golf industry’s contributions to California have been the state’s best kept secret. With the help of all of you—the SCGA, the NCGA and the associations representing superintendents, course owners and operators, golf professionals, private clubs, women golfers, and public links players, along with retailers and suppliers—that is no longer the case. California lawmakers are hearing about the jobs that golf provides and the money the industry pumps into the state’s economy.
- In a short amount of time and with your avid support, we’ve moved the needle on issues for golf in California. *GolfWeek* acknowledged the key role that CAG played earlier this year in defeating a proposal to tax golf in California during the state budget battle. Unfortunately that was just round one, because a golf tax proposal looks like it’s coming back--and will once again require your active opposition. We’ll discuss the new fight to stop a statewide golf tax shortly and where your help will be needed.
- To work effectively statewide, five elements were needed to make the golf industry a statewide force in California. All are now in place:
  - A strong proactive lobbying presence in Sacramento—Steve Baker of Aaron Read & Associates
  - A professional public relations team—Stephen Kulieke, Kevin Slagle and Lauren Silva of Porter Novelli Sacramento
  - A politically sophisticated and interactive “issues” website—[www.forecalifornia.com](http://www.forecalifornia.com)—and we invite you to go there often!
  - A single coordinating entity—CAG
  - A cooperative team with the resources to reach out to potential constituents—that’s where you all come in!

### **Golf Tax Defeated, Now Returning for Round Two**

- This year’s budget battle saw golf in the crosshairs. With the state facing billions in budget deficits, a proposal to tax golf was thrown into the mix. As California’s leaders debated the final budget agreement, CAG jumped into action—drafting persuasive and powerful messages to fight the tax, making our case to the media, and establishing a highly effective website where 10,000 members were activated to contact their elected officials and voice their opposition to the tax.
- No other entity or industry targeted by state lawmakers for taxation raised their voices like the golf industry did. We all can be proud of that. In TV and radio coverage, in newspaper articles and editorials that put a face on the golf tax issue across California, in podcasts, and on blogs from the U.S. to the UK-- our advocacy gained impressive attention. Our actions and the coverage we achieved were duly noted and acclaimed in the political arena. And the media coverage was overwhelmingly favorable.
- **The defeat of the golf tax during the budget battle was no accident. It was a case in point of how golf can move from sitting on the sidelines to being fully engaged in the political process—and achieve results.**
- **It’s the first battle, but hardly the last. In fact, with the state still in recession and in deficit status, a golf tax is now back on the table.**
- **A tax commission appointed by the Governor and lawmakers--the Commission on the 21<sup>st</sup> Century Economy—is now considering ways to restructure the tax base in California. They’re looking at ways to broaden the sales tax and those activities most vulnerable to taxation are those perceived to be enjoyed by the “rich” with disposable incomes—sporting and entertainment events, and golf.**
- As we all know, golf enthusiasts come from diverse backgrounds—from senior golfers on fixed incomes, to youth golfers, to municipal course weekend players. And city/county golf course revenues contribute substantially to public parks programs. Moreover, golf courses are already suffering economically in the current recession. We need to let state legislators know once again how a tax would devastate golfers and the golf community. It’s how we stopped it once and how we can do it again.
- **The pressure to find additional tax revenues, from golf and other sources, could soon increase: If the measures on the May 19 Special Election ballot are defeated, the state’s budget situation will worsen.**

## Leading the Way for Cooperative Water Policies for the Industry

- It’s no surprise to you all that water is a precious commodity in California, affecting all water users, including golf.
- With the state in the third year of a drought and a drought emergency declared February 27 by the Governor, the challenges today are particularly acute.
- Against a backdrop of enforced water rationing, CAG is proactively representing and advocating for golf’s interests on water.
- Here are the “victories” we have accomplished on water already:
  - Created a strategic alliance with ACWA—the Association of California Water Agencies
  - Co-sponsored a major golf-water conference with the Coachella Valley Water District that was widely attended
  - Negotiated an agreement with EBMUD, the East Bay Municipal Utility District, in 2008 to mitigate the effects of mandatory rationing

- Obtained a letter of endorsement from the California Department of Water Resources (DWR) and a promise to monitor a water stewardship program for superintendents
  - Launched a major study of water recycling, including the Turf Grass Research Institute at UC Riverside
  - Helped pass legislation to reduce salts in water created by water softeners and participated in regulatory processes regarding landscape ordinances and water recycling
  - Most recently, CAG is discussing a favorable water conservation agreement with the Los Angeles Department of Water and Power benefiting 30 some golf courses
- CAG is leading the way for cooperative water usage policies based on conservation and attainable goals – all aimed at the sustainability of golf in California. On the critical issue of water, we're here to help. If you become aware of any ordinances or water agency issues, please let us know.

## Join and Support CAG, Download New Flyer to Fight Golf Tax

- Taxes and water top the list of issues facing golf in California. Whatever the policy that is being debated, having an umbrella organization like CAG is critically important to ensure that golf's voice is heard and that the industry remains vital in California.
- We won't succeed for golf in California without a top to bottom grassroots effort. From golf professionals to average golfers, from course owners and operators to manufacturers and retailers. We need women's golf associations engaged and youth golf program leaders and members involved.
- We've got great stories to tell—from innovative recycled water programs to Audubon Cooperative Sanctuary golf courses. But we can't tell these stories without your support.
- **Go to the website, [www.forecalifornia.com](http://www.forecalifornia.com) and go there often. We have almost 10,000 website members. We need 100,000. Sign up there and respond to alerts and calls to action we send out. There's good info there on the tax fight, and, increasingly, on water issues.**
- **There's also a brand new downloadable flyer at [forecalifornia.com](http://forecalifornia.com) with the most up to date information on the tax fight—where it stands with the tax commission, and messages to use to fight back. Print it up, post it at your golf shop, and send it and hand it out to your members.**
- **The Club Managers Association of America has declared Wednesday, May 13 National Golf Day—to promote the value of golf at the national, state and local levels. Mark that date on your calendar. Do at least one thing on May 13 on behalf of golf—call or email your legislator on why a golf tax would hurt golfers and the golf industry.**
- **Finally, the last of the five elements we mentioned at the outset of this call is having the resources needed to advocate on behalf of golf in California. Get your organization's constituents and your contacts to become CAG members today. Have them go to our membership website, [www.cagolf.org](http://www.cagolf.org) and join. There are membership levels for courses, vendor/suppliers, and individuals. Donate at that level, and more.**
- Think of it this way as you contribute—the golf tax was scheduled to go into effect in California on February 1. How much have golfers already saved since then by not paying the

tax? And how much downturn in golf business has already been avoided by delaying a 10 percent tax on all things golf. And let's do more than delay the golf tax. Let's defeat it!

- Finally, if you have any follow up questions or ideas, please go to [www.forecalifornia.com](http://www.forecalifornia.com), and email us your comments under the "Contact Us" section. Thank you!