
2023 Minnesota Allied Golf Associations Priority Issues

Information packet relating to the legislative concerns of the Minnesota Golf Industry, and the real environmental, economic, and community value the Golf Industry provides throughout the state of Minnesota. For more information, contact Chris Aumock, Executive Director, Minnesota Golf Course Superintendents Association. chris@mgcsa.org, or 651-324-8873



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Minnesota Allied Golf Priority Issues

The Minnesota golf industry continues to be strong and is supported by over 440 golf destinations, employing over 25,000 individuals, and annually creating over \$2.3 billion of direct, indirect, and induced economic output. The impact upon the state's tourism economy, \$480 million annually, cannot be overstated. Environmentally, golf courses provide habitat and corridors for wildlife and pollinators as well as create green space for urban cooling, oxygen generation, carbon sequestration, groundwater recharge, and pollution mitigation. Over 90 percent of Minnesota's golf courses are open to the public, with ample programs available to encourage youth participation.

HF0002/SF0002 - *Paid family, pregnancy, bonding, and applicant's serious medical condition benefits provided; employment leaves regulated and required; data classified; rulemaking authorized; and money appropriated.*

HF0019/SF0034 - *Earned sick and safe time provided, Ninth Judicial District court judge added, report required, rulemaking authorized, and money appropriated.*

Minnesota Allied Golf supports allowing small businesses, such as golf courses, to maintain flexibility in providing competitive wage and benefit packages to their employees as driven by market forces, including providing competitive paid leave benefits packages. We encourage government to work collaboratively with small businesses to find ways to provide incentives and support so that these enterprises can afford such programs while remaining viable in the marketplace. With challenging labor markets and rising costs, golf course owners and operators are not in a position to shoulder new "One Size Fits All" mandates, such as paid family leave and earned sick and safe time. Minnesota Allied Golf opposes HF2/SF2 & HF19/SF34.

HF0893 - *Sales and use tax provisions modified, and sales tax exemption for capital equipment purchases expanded.*

Minnesota Allied Golf supports the repeal of the sales tax on restaurant equipment, as other manufacturing equipment is not taxed in Minnesota. Many golf course foodservice operators have put off needed purchases over the past three years due to financial circumstances and repealing this tax would provide much-needed relief and could stimulate purchasing. Minnesota Allied Golf supports HF706/SF1378.



HF1130/SF608 - *Cities authorized to adopt pesticide control ordinances.*

Minnesota Allied Golf Associations support the enactment of state laws preempting regulation of the use of pesticides and prohibiting local governments from adopting such laws, because local regulation of the use of pesticides is costly, unnecessary, and potentially detrimental to the environment. Minnesota Allied Golf opposes HF1130/SF608.

A patchwork of local ordinances will be confusing for applicators which will discourage good faith efforts at compliance. Uniformity in the laws affecting the use of pesticides within states saves resources and promotes compliance. Current applicators have completed initial training, taken the license tests, and renew every two years through continuing education. Furthermore, local governments often lack the expertise and scientific resources necessary to develop smart policy related to pesticide use. Local pesticide restrictions hinder the ability of golf course superintendents and others to control pests that have a detrimental effect on healthy turf.

HF1538 - *Water appropriation allocation properties modified.*

Minnesota Allied Golf supports amending water allocation use priorities. Currently the Minnesota Department of Natural Resources Water Use Allocation Priorities place golf as a non-essential water user. When a drought occurs, there is a potential that individual golf course businesses could have their water permits suspended completely. This would cripple the remaining golf season and cause a negative environmental and substantial economic impact during recovery. The loss of irrigation could easily close a golf course permanently. Minnesota Allied Golf supports HF1538.

Golf Course Superintendents in Minnesota and our colleagues throughout the nation, have adopted BMP's that direct effective and efficient management of golf course properties. All 50 states have established BMP protocols, indicating the industry's commitment to preserving the lands, waters, and pollinator habitats entrusted to us. The state golf industry has also created drought management plans to be put into effect, reducing water consumption by percent of allocation and managed by the superintendent upon request from the DNR Commissioner.

HF1715/SF1849 - *Sale of nonelectric powered lawn and garden equipment prohibition.*

Minnesota Allied Golf supports the ability of equipment operators at golf courses to use power equipment that is in compliance with local, state, and federal regulations regarding air emissions and decibel levels. While early adoption of battery powered equipment may be practical for homeowners maintaining .25 acre lot, for example, the average golf course stretches across 150 acres creating quite different needs for those tasked with maintaining the turf, trees and ornamental plants found within it. Minnesota Allied Golf opposes HF1715/SF1849.



HF1715/SF1849 Continued -

Battery powered equipment provides pros and cons. Benefits include reduced emissions, lower decibel levels, reduced fuel costs and avoidance of fuel spills and leaks. Conversely, drawbacks and deficiencies – especially when considering use in a commercial operation – include limited battery life and run time, insufficient power and durability, limited charging infrastructure, regional power grid reliability, disposal and recycling limitations, and the overall cost of new equipment, batteries, and charging stations. Further, some specialized pieces of equipment commonly used on golf courses, such as aerator and top dressing units, as well as heavy duty utility vehicles, currently do not have electric alternatives.

Still, the golf industry has shown an ability to adapt and utilize new technology when the benefit of doing so is clearly demonstrated. A recent survey of GCSAA members showed that 47% of superintendents are currently using some form of electric equipment, most commonly leaf blowers and utility carts. Furthermore, the Outdoor Power Equipment Institute (OPEI) reports that in 2021, “battery/electric equipment accounted for more than 56% of all U.S. shipments” of power equipment, including to the general consumer market.

Thus, policymakers should consider market forces already leading to adoption and use of battery-powered equipment. Additionally, contributions to air quality concerns, by industry sector, must be well understood and demonstrated by legislative and/or regulatory bodies, using reliable modeling and sound science**, before mandates restricting and banning various types of power equipment are pursued.

Minnesota Allied Golf supports commercial exemptions and the creation and funding of product rebate, tax incentive, and low interest loan programs that help offset the cost of new battery-powered equipment purchases, especially when conversion is mandated by law, or when due to regulation, the ability to purchase gasoline-powered alternatives has been restricted or eliminated. The costs of commercial-grade battery-powered equipment can far exceed their gasoline equivalents with industry research finding that zero-emissions equipment can have an upfront cost of as much as 2 to 4 times their gas counterparts.

The numerous challenges surrounding mandated adoption of zero-emission equipment often create unreasonable hardships for manufacturers, retailers, and end-users. Such mandates have the potential to result in an early market shortfall of products with high consumer need and demand, especially during a time of supply chain volatility. Adoption of such new equipment and technology should be market based and fully consider availability and variety of equipment, affordability, reliability, feasibility, and the needs of the end-user, especially those operating on a commercial scale.



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Golf Industry Youth Programs and Opportunities

First Green

First Green is an innovative environmental and STEM (Science, Technology, Engineering and Math) education outreach program using golf courses as environmental learning labs. Golf Course Superintendents and/or local golf course representatives host students on field trips where they test water quality, collect soil samples, identify plants, design plantings, assist in stream bed restoration and are involved in the ecology and environmental aspects of the golf course. The students are also introduced to many other aspects of golf.



thefirstgreen.org

First Tee

Enables kids to build the strength of character that empowers them through a lifetime of new challenges. By seamlessly integrating the game of golf with life skills curriculum, we create learning experiences that build inner strength, self-confidence, and resilience that kids can carry to everything they do.



firsttee.org

Youth on Course

The price of a round of golf shouldn't be a barrier for a young person who wants to play – that's where Youth on Course comes in. We provide our 130,000+ members with access to play nearly 2,000 golf courses for \$5 or less, giving them opportunities to learn lessons that can be taught in a way only a golf course can. And beyond affordable golf, we provide opportunities for young people to get the support they need to succeed through our career prep, leadership and scholarship programs.



youthoncourse.org

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MGCSA BMP Documents and Information

Best Management Practices (BMPs)

Water-Use Efficiency/Conservation Plan For Minnesota Golf Courses



The Minnesota Golf Course Reference Handbook of Management Practices

This 140-page document is intended to provide a background about golf course maintenance to non-professionals such as course owners, green committee chairs, city officials and state agencies.



MDA Agency Bulletins Specific to Golf Course Management

The MDA requested and helped create a vehicle to provide a handbook of relevant materials to keep golf courses educated on important regulations.



MN Turfgrass MDA Fertilizer Best Management Practices

The Minnesota Department of Agriculture partnered with the UMN and MGCSA to create turf specific BMP's using MDA generated guidelines.



Best Management Practices for Turfgrass Pesticides



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MINNESOTA'S GOLF COURSES: YOUR COMMUNITIES' LARGEST RAIN GARDEN

The "great story" of water resource management:

- * 70,000 Acres of semi-managed wildlife corridor
 - * 30% or more of most course properties provide natural and native habitat as well as:
 - * Stormwater management
 - * Groundwater recharge
 - * Pollution abatement
 - * Erosion control
 - * Municipal/gray water water recycling
-

MINNESOTA'S GOLF COURSES: YOUR COMMUNITIES' LARGEST RAIN GARDEN

The "great story" of environmental property management:

- * Pollinator Corridors
- * Wildlife Habitat
- * 70,000 Acres of semi-managed wildlife corridor
- * 30% or more of most course properties provide natural and native habitat
- * Carbon sequestration
- * Natural noise dampening
- * Oxygen generation
- * Pollution abatement
- * Erosion control - natural perennial buffer strip
- * Glare and solar radiation suppression
- * Heat dissipation and temperature moderation
- * Soil restoration and phytoremediation

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THE ECONOMIC IMPACT OF MINNESOTA GOLF

Executive Summary

The game of golf drives significant economic activity across the State of Minnesota. The industry’s impact includes not only direct golf facility operational expenditures and capital investments, but also golf-related manufacturing and retail spending, golf tourism, and new golf-related residential construction.

Key Findings

In 2016, Minnesota’s \$1.555 billion of direct golf economy activity generated secondary and tertiary activity that resulted in:

- \$2.301 billion of direct, indirect, and induced economic output;
- 24,933 direct, indirect, and induced jobs;
- \$743.2 million in wages and benefits; and
- \$201.3 million in state and local tax revenue.

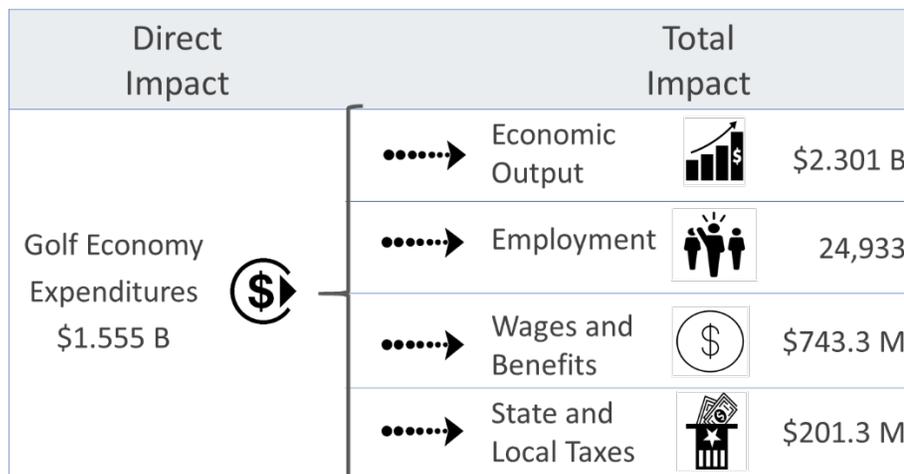
Study Highlights

- Minnesota’s 447 facilities are local economic drivers generating \$725.5 million in economic activity statewide.
- Golf supports the state’s tourism industry, attracting travelers to different parts of the state. Travelers who played golf while on a day

trip or overnight trip in Minnesota generated \$480.6 million in visitor spending.

- Golf championships also drive tourism. In 2016, Minnesota hosted the Ryder Cup Championship, which drew 295,000 spectators and generated \$47.7 million in visitor spending.
- In 2019, Minnesota will host the KPMG Women’s PGA Championship, and, in 2028, Minnesota will become the first U.S. venue to host the Ryder Cup for a second time.
- Minnesota is home to Par Aide, a global manufacturer of golf course equipment, and Toro, which manufactured its first golf mower in 1921, and continues to design and manufactures golf mowers for the global market.

Figure 1 Minnesota Golf's Total Economic Impact 2016



Source: TEconomy Partners, LLC



Table 1. Minnesota's Direct Golf Economy by Industry Segment: 2006 and 2016 (\$M)

	2006	2016	CAGR
CORE INDUSTRIES			
Golf Facility Operations	\$552.7*	\$725.5	2.8%
Golf Course Capital Investments (investment and new construction)	\$43.6	\$67.9	4.5%
Golf-Related Supplies (retail and manufacturing)	\$154.1	\$148.5	-0.4%
Major Golf Tournaments and Associations	\$9.6	\$10.3	0.7%
Golf Charitable Events	\$52.4	\$64.0	2.0%
Total Core Industries	\$794.3	\$1,016.3	2.5%
ENABLED INDUSTRIES			
Golf Tourism	\$426.2*	\$480.6	1.2%
Golf Real Estate (new home construction and realized premium)	\$149.3*	\$58.2	-9.0%
Total Enabled Industries	\$575.5	\$538.8	0.02%
TOTAL GOLF ECONOMY	\$1,331.8	\$1,555.1	1.6%
TOTAL DIRECT IMPACT FOR IMPACT ANALYSIS	\$1,260.8	\$1,404.0	1.1%

Note: * Recalculated. See full report for explanations.

Over the past 10 years Minnesota's golf economy has weathered a Great Recession and a correction in its total number of golf facilities with a net decline of 39 facilities. However, Table 1 shows that, compared to 2006, Minnesota's remaining 447 facilities showed strong growth in operations revenue and capital investment in 2016.

Looking beyond the green, Golf Tourism and Golf-Related Manufacturing, within Golf-Related Supplies, were strengths (CAGR of 1.2% and 1.5%).

In 2016, the state's largest golf industry sectors were:

- Golf Facility Operations (\$725.5M),
- Golf Tourism (\$480.6M),
- Golf-Related Supplies (\$148.5M), and
- Golf Facility Capital Investments (\$67.9M).

Charitable Impact

Minnesota golf facilities hosted charitable events that generated \$64.0 million in net proceeds and in-kind contributions for beneficiary organizations. These range from smaller, but highly impactful charitable golf events that raise money for local hospitals, youth development organizations, medical research, guide dog organizations, college scholarships, etc., to major events like the Best Buy Charity Classic that raised \$2.8 million for technical skills training for underserved teens and Tee It Up for the Troops Minnesota that raised \$688,000 for military families. The TEconomy survey found that the average Minnesota facility hosts 11 charitable events each year which raises \$15,959 in net proceeds per event for charitable and nonprofit organizations.

See full report for methodology and explanations of underlying data and calculations at: <https://golf2020.com/research/>

