PUBLIC AFFAIRS NEWSLETTER

Where Golf and Public Policy Intersect

[October 2026]

Just as elections are always about the future and rarely if ever about the past, so too is advocacy. Whether legislation, regulation, policy, issues, or narrative, it's about the power of next. So, as we close the book on last session's success in sponsoring a consequential bill into law (**AB 1954**), let's give one last acknowledgment to the significance of that effort and resolve to use the increased credibility gained thereby to address what's next.

It goes without saying (or writing) that some of what's next is beyond our capacity to anticipate, let alone control. But before the world hits us with matters we'll be forced to address, here are two matters of ongoing significance CAG is planning to take up as we transition from one legislative year to the next.

SORE **(Small Off Road Engines)**

In 2021 **AB 1346** (Berman; D-Menlo Park) added the following to California's Health and Safety Code:

> (1) By July 1, 2022, the state board (California Air Resources Board) shall, consistent with federal law, adopt cost-effective and technologically feasible regulations to prohibit engine exhaust and evaporative emissions from new small off-road engines, as defined by the state board. Those regulations shall apply to engines produced on or after January 1, 2024, or as soon as the state board determines is feasible, whichever is later.

(2) In determining technological feasibility pursuant to paragraph (1), the state board shall consider all of the following:

(A) Emissions from small off-road engines in the state.
(B) Expected timelines for zero-emission small off-road equipment development.
(C) Increased demand for electricity from added charging requirements for more zero-emission small off-road equipment.
(D) Use cases of both commercial and residential lawn and garden users.
(E) Expected availability of zero-emission generators and emergency response equipment.

(3) Consistent with the regulations adopted pursuant to this section and relevant state law, the state board shall identify, and, to the extent feasible, make available, funding for commercial rebates or similar incentive funding as part of any updates to existing, applicable funding program guidelines for districts to implement to support the transition to zero-emission small off-road equipment operations.

In its summary of AB 1346 California Legislative Counsel summarized the bill as "**consistent with federal** law adopting **cost-effective and technologically feasible regulations** to prohibit engine exhaust and evaporative emissions from new small off-road engines . . . and **making available funding for commercial rebates or similar incentive funding** as part of any updates to existing applicable funding program guidelines to local air pollution control districts and air quality management districts to implement to support the transition to zero-emission small off-road equipment operations." While the golf industry is not eligible for "commercial rebates," it doesn't strain credulity to fit golf somewhere into "similar incentive funding" if CARB or the legislature were interested in doing so. **(Emphasis added)**

It is important to note that a "small off road engine" is defined as one that is 25 horsepower or less and not used for transportation purposes. It is also important to note that the primary aim of AB 1346 was to address the gas-powered equipment used by domestic landscapers and gardeners.

The rub for the golf community is that these products are used extensively in the maintenance of golf courses in equipment designed to meet the much more demanding work associated with "landscaping" 100 acres of turf to standards capable of supporting greens fees and club dues. And there are few if any other industries in California that make use of this particular niche of SORE, making it very possible that the California golf industry would not be substantial enough for the manufacturers of this equipment to justify expending the dollars required to develop zero emission replacements for the gas-powered equipment then in use.

CAG met with AB 1346 author Marc Berman (D-Menlo Park) to explain that its "oppose unless amended" position on the bill was not opposition to phasing out the sale of gas powered SORE, but rather the Alliance's belief that the bill needed language that would direct CARB to ban the sale of SORE per definitions of "cost-effectiveness and technological feasibility" as equipment that is "commercially available and fit for intended use," so that as the end-user of this

equipment, NOT the manufacturer, California's golf courses would be able to purchase zero emission electric equivalents that meet the much greater needs of golf courses at a price that while undoubtedly higher, could still be considered in the "cost-effective" range. It occurred to CAG then that were California to continue receiving the federal waivers enabling the state to mandate much higher emission standards than the federal government, the manufacturers might decide to just write off the California golf market in favor of selling gas-powered equipment in the other 49 states.

CAG's fears were borne out when the industry met with CARB only to discover that the agency construed the AB 1346 language less as banning sales upon showings of availability and fitness for intended use than a "if we mandate it, they will build it" philosophy. Our plea then, as it remains now, is that we are the end-users just seeking to purchase electric equivalents capable of performing the work previously done by the gas-powered equipment they replace.

Because AB 1346 banned the sale but not the use of gas-powered SORE in 2024, the issue has been a slow rolling one in terms of the industry's determinations about the utility, availability, and cost of electric equivalents.

But it slow rolls no more. Those golf clubs, tellingly all of them very high end private equity clubs, that have converted to all electric equipment both in terms of constructing the infrastructure required to convert to all zero emission equipment and purchasing the equipment that employs it, have had to expend enormous sums of money to accommodate equipment that doesn't always perform as well as the equipment it replaced. And then only after significantly increasing the capacities of their electrical grids, which can be problematic in those parts of the state whose electrical grids are strained to the point of having to conduct brownouts to prevent overloading.

The vast majority of California's golf courses, particularly the 25% that are publicly owned, do not have the wherewithal to follow suit and that is just as true if not truer for the golf facilities in the other 49 states, leaving the manufacturers in the position of having to determine whether they build golf course SORE to the standards of California's requirements for all 49 states, or continue with a status quo that works for 49 states and those California golf facilities that can absorb the high costs of compliance.

Based on the response of the outdoor power equipment industry and golf's national organizations, it would appear that the latter course is the power equipment industry's preferred course. CARB and EPA simply ignored industry data that indicated more than $1 billion in compliance costs.

The GCSAA's Jeff Jensen has been keeping California's golf course community apprised of the progress of a lawsuit brought by the Outdoor Power Equipment Institute (OPEI) challenging the EPA's grant of a waiver to California's Air Resources Board (CARB) to mandate emission standards in SORE (small off-road engines) that are much stricter than the standards issued by the EPA for the rest of the nation. There is a parallel effort to invalidate the waiver in Congress.

While the success of either effort would certainly solve the matter for the California golf community, that doesn't mean that CAG should give support to either. Given the central role played by these waivers in California's ability to tackle its serious air and water quality issues and given the fact that these waivers have been routinely granted by Administrations of both political parties since their inception in the early 1970's, supporting either the lawsuit or legislation that would rescind this specific waiver crosses a political line in California that it is just foolish to cross. The California golf industry's wise course is not to challenge the foundational principle that allows California to exceed federal standards, but rather to challenge specific applications of it.

Add to this that it is not likely that the Congressional bill referenced above will be brought up for a vote before this session of Congress adjourns for the year, and when the new Congress resumes business in 2027, it is all but guaranteed that the Democrats will have taken control of the House and it is now a 60% (and rising) likelihood that the Democrats will have taken control of the Senate as well. And it clear that Congressional Democrats favor California's Clean Air Act waivers.

But that doesn't mean that the California golf industry doesn't have options at its disposal to seek relief from what everyone reading this email knows are serious problems accommodating a CARB mandate prohibiting the sale of gas-powered SORE. Admittedly, the options aren't great, which is why national golf organizations have pursued other options, but there is language in AB 1346 that offers an avenue, if only a very narrow one. We would be remiss not to at least make the effort.

A bill in this last session of the legislature (**AB 2635; Just Transition for Landscapers Act** – Rodriguez; D-San Fernando) that was vetoed by Governor Newsom because it created a massive financial obligation that had not been incorporated in the 2026-2027 budget but had been provided by a previous action to fund a $30 million rebate program, is instructive. The whole point of the bill was that $30 million is not nearly enough to meet the needs of the thousands of mom & pop gardeners that cannot afford the much more expensive and much less reliable electric alternatives. We don't think we are on shaky ground in thinking that the bill will run again in 2027 and perhaps with a budget request and be viewed more favorably by the new governor.

The bill makes a point that is even more compelling for the golf industry, at least that portion of it that is publicly owned — more compelling in the sense that electric equivalents capable of handling the much heavier duties required of them on golf courses are not universally available, the equivalents that are available are considerably more expensive, and most municipal golf courses don't have the electric infrastructure required to use and recharge these equivalents, requiring millions in investment before they can even be used. The language of Berman's AB 1346 suggests that CARB consider factors like this, and while CARB was cordial and to some degree understanding of golf's plight when we met upon passage of Berman's bill, the agency at that time was inclined to err on the side of simply issuing mandates in the belief that manufacturers were more crying wolf than crying impossibility about the prospects of meeting

those mandates with reasonably priced, effective electric equivalents. Again, we need to remind CARB that there are end users in this mix.

To that end CAG has begun to assemble some of the industry's experts in this area to document exactly what is commercially available and how much it does cost to completely electrify a California municipal golf course, so that to the degree we elect to do bring these issues to the attention of CARB and/or legislators, we have all the necessary facts at our disposal when we do so.

We should also remember that there are those who will be incentivized by an argument that ignoring some of the qualifying language of AB 1346 is tantamount to a de facto reduction in California's golf stock.

There is no quick fix here. But given the costs associated with zero emission conversions per current circumstances, silence is not a wise course. Neither is hysterical bloviation. Neither is supporting denial of federal waivers – at least not wise for the California golf industry, but we understand why other golf communities support it. Nor is it the aim of the California golf community to obviate or otherwise challenge the efficacy of the waiver instrument or reverse California's commitment to a zero emission future. We seek only to create some of the same kinds of onramps and tools that the state and its water providers have long provided to facilitate water conservation consistent with agronomic and business integrity.

Though the path is narrow, California needs to thread it if it hopes to smooth a path toward a zero emission future that doesn't diminish an already challenged supply of golf courses. But first we need to get our facts and arguments in order.

COLORADO BASIN

What the Federal Government's 10-Year Decision Framework Means for California Golf

Ever since the United States Department of Interior released the first two years (2027-2028) of its 10-year Decision Framework for the Colorado River Basin, CAG has been peppered with questions about what it all means for golf in California.

So, after reading a broad range of scientific studies, legal studies, and thoughtful commentaries on the subject, here is CAG's nutshell answer to that question.

But first a little background on where things stand in the Colorado Basin.

The Colorado River is the lifeblood of the Southwest. It provides water for nearly 40 million residents, including those of seven U.S. states, 30 Tribal Nations, two Mexican states, and more than 5 million acres of farmland. The Colorado River Basin has been in a so-called megadrought for the last 25 years, where the river is producing far less water than it did historically in the 20th Century. The 1922 Colorado River Compact divided the Colorado into an

Upper Basin (Wyoming, Colorado, Utah, New Mexico) and a Lower Basin (Arizona, Nevada, California). Each basin was given the right to use 7.5 million acre-feet (maf) of water per year.

A century later, water managers consider the river overallocated based on two key factors: (1) That the Colorado river system never actually produced the 18 maf of supply that those in 1922 believed it would; and (2) that the basin's climate is warmer and drier than its recorded average, exacerbating the disparity between allocation and available supply. Only 13.1 maf was developed on average between 2020 and 2024, which is roughly 30% less than the river's yield during the last quarter of the 20th Century.

The federal government's new 10-year Decision Framework is a direct result of the seven Compact States' failure to reach consensus on how to share the declining spoils of the Basin for the next quarter of the 21st Century. Under the Framework, basin stakeholders should expect Operating Guidelines to be issued in two-year intervals, which are subject to change at any time should additional cuts be necessary to keep Lake Powell from dropping below the level required to generate electricity. The 2027-2028 Operating Guidelines formalize a lower basin proposal to cede 1.25 maf in each of the next two years. In addition they expand conservation programs to generate up to an additional 1 maf of water.

Bottom line under the Framework: California cedes 10% of its allocation, Arizona 27%, and Nevada 17%. What about the four states of the Upper Basin? They cede nothing. And because they cede nothing, Arizona and Nevada have filed a lawsuit against the federal government claiming that the failure to require the Upper Basin to deliver the 7.5 million acre feet to Lake Powell on an annual basis that was incorporated into the Compact years ago violates their rights under "The Law of the River," adding additional uncertainty to an already uncertain situation.

With that as background, what then does all this presage for golf in California?

Cuts are never easy but given all that California has done to develop local supply, we can manage, certainly, for the next two years, but we would dare to suggest as well for whatever comes our way should the Colorado Basin continue to deteriorate.

Call it forward thinking, call it necessity, or call it both – California has become accustomed to doing more with less, and the state's water providers have become accustomed to developing local supplies to supplant imports. Adversity builds more than character; it builds resiliency.

That's the good news. The bad news is that these local supplies (e.g., stormwater capture, groundwater recharge, recycling, desalination) come with high price tags that add significantly to the cost of water – a cost that has begun to rival and, in some cases, exceed the cost of labor.

The other piece of bad news is the heightened scrutiny that will flow golf's way when households begin to feel the effects of cutbacks and the cost increases that are sure to accompany them. Golf is going to have to remind everyone that water providers and policymakers routinely refer to golf as the most efficient of the outdoor irrigators and make clear that it uses no more than 0.73% of California's potable water – a number that is much lower

than it was a generation ago and a number that golf is committed to continuing to take lower and lower over time.

Golf is also going to have emphasize all the benefits it brings to communities – recreation, youth/school programs, senior programs, green spaces, charitable fundraising venues, heat relief, and permeable surfaces in urban concrete jungles.

Golf's water conservation story is a good one. Golf's community benefit story is a good one. But good stories don't tell themselves. Telling them beyond the comfortable confines of the already converted is critical. Telling them humbly, honestly, and transparently is paramount. Good stories they are. Perfect stories they are not.