



MGCOA

National Golf Course Owners Association Affiliate

Statement on House Bill No. 4011 , Michigan Golf Course Owners Association on March 21, 2017
Commerce and Trade Committee

Good Morning Committee Members,

My name is Jada Paisley, and I am Associate Director for Michigan Golf Course Owners Association. The golf industry in Michigan represents \$4.2 billion in total economic impact and \$1.2 billion in wage contribution.

The elimination of daylight saving times would affect the golf course owners and operators in Michigan by taking away one hour from the busiest time every day by reducing one hour of light at prime time. The addition of any early morning golfers would not offset what a golf course would lose in the evening.

ONE LOST REVENUE EXAMPLE: League golf is a very large segment of a golf course's business. (depending on course anywhere from 20-30%) In Michigan there are approximately 600 courses that have an average of 13 leagues with 35 people in a league. That is a total of 273,000 golfers!

If daylight savings time were eliminated, these would be the business challenges a golf course owner would face with ONE of it's largest segments of business, resulting in a loss of revenue

- With one less hour of daylight in the evening, any league starting after 5:00pm would finish in the dark. League golfers start in the spring and end in the fall.
- A league would have to start an hour earlier to finish. This would mean several golf courses would lose leagues that can't accommodate an hour earlier league time.
- With leagues starting earlier it would affect the golf course's yield management on an individual golfer on either start of league start times, therefore an additional loss of revenue
- Leagues would not continue to play after their 9 hole round due to lack of light. Again another source of lost revenue
- Food and Beverage sales would decrease due to darkness due to fewer golfers on the golf course results in less sales on the golf course.
- The evening driving range revenue would also experience a loss in revenue.

The Voice of Michigan's Golf Business

603 S. Washington Ave., Suite 303 • Lansing, MI • 48933 • (517) 482-4312 • fax (517) 267-8984
(800) 860-8575 • email: mgcoa@mgcoa.org • www.mgcoa.org



MGCOA

National Golf Course Owners Association Affiliate

- The high fixed costs of maintaining a golf course (or any business) would remain the same whether or not we are on standard time or daylight savings time. A typical 18 hole golf course in Michigan budgets approximate 50% of their overall expenses to go to course maintenance

So with that lost revenue, and the same fixed costs for a business where does that leave a business to cut? The job impact in Michigan from the golf industry is 60,000! How will that affect the economic health of Michigan?

The value of the extra morning hour is less than the value of the extra hour in the evening, when families and individuals enjoy after work and school activities. There is a greater utilization of the time gained in the evening than the morning.

I have also provided information on the job and economic impact from the Michigan Golf Alliance that represents the Michigan golf industry and economy. The trickle down doesn't just affect the golf consumers who loses an hour after work, it affects suppliers to the industry, youth workers, and by extension newspapers who sell advertising to the industry. Michigan's tourism industry counts on the extra 7% of evening daylight for visitors to our state who enjoy everything our Pure Michigan has to offer. Will there be new commercials showing Pure Michigan in the dark? Michigan would be operating in an "island" if we choose to eliminate daylight savings time, and would affect the overall health and growth of the golf industry, and tourism as a whole.

The Voice of Michigan's Golf Business

603 S. Washington Ave., Suite 303 • Lansing, MI • 48933 • (517) 482-4312 • fax (517) 267-8984
(800) 860-8575 • email: mgcoa@mgcoa.org • www.mgcoa.org