

Taxation

The California State Budget continues to be in relatively good shape with a reserve fund totaling approximately \$20 billion. There is some concern the economy is cooling, and currently, state tax revenues have not come in as briskly as projected. Governor Newsom has suggested the tax code should be revisited in order to have more stable tax revenue. Once again, Senator Hertzberg (D - San Mateo) has introduced a bill that seeks to place a tax on services. In the meantime, a group of civil rights and community organizations, along with taxpayer advocates qualified a measure for the November 2020 ballot that seeks to amend Proposition 13 so that commercial and industrial properties would have their property taxes calculated differently than residential properties. Under current law, Proposition

13, approved by voters in 1978, set property taxes at 1 percent of the purchase price and capped annual increases at 2 percent or the rate of inflation, whichever is lower. The proposed initiative would tax commercial and industrial properties at fair market value while leaving in place the Proposition 13 protections for home owners. This concept is known as "Split Role." Small businesses, agricultural land, open space, and up to \$500,000 worth of tangible property would be exempt from the proposed change. The money raised from the measure would go to local governments and schools. Governor Newsom and legislative leaders have said that they would like to see a negotiated settlement on a broad range of tax issues that have the potential of taking this measure off the ballot. CSCA is actively monitoring these issues and will keep you apprised. ■

■ NCA NATIONAL CLUB CONFERENCE

Superior Speakers and Unmatched Experiences: The 2019 National Club Conference is a Once-in-a-Lifetime Opportunity

By Henry Wallmeyer

For the past 15 years, leaders of the private club industry have gathered from across the country at the National Club Association's (NCA's) National Club Conference to learn about the most important issues and best governance practices affecting clubs today. The Conference presents a unique opportunity for club managers, presidents, board members and industry professionals to connect with their peers and learn from experts from across the business, legal and media spectrum. The 2019 National Club Conference will be April 28-30 at the new Conrad Washington, DC, recently ranked America's top hotel design for 2019 by Architectural Digest.

During the past few years, especially at last year's Conference in Los Angeles, the National Club Conference has blossomed. It has always been the industry's best event for connecting with private club community peers, but in recent years NCA has focused

more intensely on meeting the needs of clubs' C-Suite. The Conference agenda is more robust than ever, providing a more extensive array of presentations and events that will appeal to club presidents and board leaders as well.

One of the highlights of the 2019 Conference will be a once-in-a-lifetime lecture in the courtroom of the United States Supreme Court by retired Supreme Court Justice Anthony Kennedy. The talk will be followed by a reception with Justice Kennedy.

The Conference will feature a variety of speakers with specialized experience on business issues and lifestyle topics that impact club managers and leaders every day. Speakers will include:

Howard Milstein - Chairman and CEO of New York Private Bank & Trust and partner with legendary golfer Jack Nicklaus as Executive Chairman of the Nicklaus Companies. Milstein is also Publisher of



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GOLF Magazine and Chairman of GolfLogix, Miura Golf, True Spec Golf, and Club Conex.

Tucker Carlson – Host of Fox News Channel’s Tucker Carlson Tonight.

Justin Firestone – Founding Partner of the private aviation company Wheels Up.

Michael Mondavi – Pioneer of the Napa Valley wine industry and founder of Michael Mondavi Family Estate.

David Rubenstein – Co-Founder and Co-Executive Chairman of the Carlyle Group, one of the world’s largest private equity firms.

Ryan Wilson – CEO & Co-Founder of The Gathering Spot, a cutting-edge and industry-disrupting club concept in Atlanta, Ga.

Dean A. Heyl – Director, Office of Public Liaison, Department of Labor to discuss the Overtime Rule.

Effective club governance, management, and staffing are essential to the success of any club. Panel presentations will address:

Club Governance Symposium – A special program for club presidents and board members focusing on the issues they face in their roles as volunteer leaders.

Staffing Solutions – A panel presentation of club leaders experienced in successfully addressing their club’s workforce recruitment and retention needs.

Excellence in Club Management® Awards Panel – A program with the 2018 winners chronicling their successes. This annual award recognizes private club managers who have exhibited outstanding skills in managing their clubs. NCA co-sponsors these awards with McMahon Group and Club & Resort Business magazine.

Attendees will also visit some of Washington, D.C.’s iconic clubs, including the Cosmos Club, the Sulgrave Club, and the Capitol Hill Club. A VIP reception and dinner will be held at the Metropolitan Club of the City of Washington, just steps from the White House. Optional events include a golf outing at Chevy Chase Club and a private tour of Washington, D.C.’s top attractions.

Following the conference, attendees are invited to participate in National Golf Day on Capitol Hill, including a special breakfast and briefing for Conference attendees at the Capitol Hill Club with the club’s president and the chief of staff for U.S. Rep. John Shimkus (R-Ill).

For more information on the 2019 National Club Conference and to register, visit:
<http://www.nationalclubconference.org>.

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■ CSCA HISTORY HIGHLIGHTS

Robert Bouchier, CSCA Past President, Attorney

The statutes, ordinances, administrative regulations, and court decisions related to private clubs and their constitutional rights, constitute a narrow field of the law that is outside the practice of most lawyers. CSCA, however, has lived with these problems during the last 25 years. CSCA does not give legal advice, but, with its background of knowledge, it may well be able to be helpful to your legal counsel, and we want to help if we can.

– President John Robinson, 1995

As in 1995, John Robinson’s words capture CSCA’s fight as it continues today against recurring political and legal issues that assail private clubs.

Organized in 1970, CSCA is the only voice in California for private clubs. CSCA works in the legislature, courts and regulatory agencies 1) to defend constitutional freedoms of association and privacy and 2) to advocate

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