

ADDENDUM TO THE INITIAL STATEMENT OF REASONS

California Horse Racing Board (Board) Rule 1845. Authorized Bleeder Medication

UPDATE TO BENEFITS ANTICIPATED FROM THE REGULATORY ACTION

Subsection 1845(a)(1) of the proposed regulation provides that furosemide is prohibited for two-year-olds entered to race, pursuant to California Horse Racing Board (Board) Rule 1843.5(a). By prohibiting race day furosemide for two-year-olds, the Board's rules governing the administration of furosemide to racehorses would align with the other major racing jurisdictions in the United States and all major race tracks in the country. Additionally, the proposed amendment would prevent a situation where horses of varying ages participating in the same race had different rules applied governing the administration of furosemide, because two-year-old horses only race against other two-year-olds. This promotes an image of fairness and integrity in California racing by ensuring that no horses suffer disadvantage by having more stringent rules applied to them than other horses in the same race.

UPDATE TO THE RESULTS OF ECONOMIC IMPACT ASSESSMENT

The Creation or Elimination of Jobs Within the State of California

The proposed amendment to Board Rule 1845 will reduce the maximum allowable dose of race day furosemide from 500 milligrams to 250 milligrams and will prohibit furosemide for two-year-olds entered to race as specified in Board Rule 1843.5(a). The proposed regulation will affect the California horse racing industry. However, under Board Rule 1581, Racing Secretary to Establish Conditions, racing associations and horsemen's organizations can agree on conditions for a race meet, agreements that must be approved by the Board prior to obtaining licensure to run a meet. Pursuant to Board Rule 1581, racing associations in California are already implementing agreements adhering to the standards as outlined in the proposed regulations. Therefore, the proposed regulations will have minimal impact on the racing industry as these regulations are just codifying a practice already in place. The proposed regulation will not have an effect on any other type of California business. Therefore, the Board has determined that this regulatory action will not have a significant impact on the creation or elimination of jobs in the state of California.

The Creation of New Businesses or the Elimination of Existing Businesses within the State of California

The proposed amendment to Board Rule 1845 will reduce the maximum allowable dose of race day furosemide from 500 milligrams to 250 milligrams and will prohibit furosemide for two-year-olds entered to race as specified in Board Rule 1843.5(a). The proposed regulation will affect a limited number of Board licensees, and as such only has an effect

on horseracing and no other type of California businesses. However, under Board Rule 1581, racing associations may establish race meet agreements that must be approved by the Board prior to obtaining licensure to run a meet, and racing associations in California have already been establishing such agreements that adhere to the standards outlined in the proposed regulations. Therefore, the proposed regulations will have minimal impact on the racing industry as these regulations are just codifying a practice already in place. The proposed regulation will not create or eliminate any horseracing enterprises, and therefore, the Board has determined this regulatory proposal will not have an impact on the creation of new businesses or the elimination of existing businesses within the state of California.

The Expansion of Businesses Currently Doing Business Within the State of California

The proposed amendment to Board Rule 1845 will reduce the maximum allowable dose of race day furosemide from 500 milligrams to 250 milligrams and will prohibit furosemide for two-year-olds entered to race as specified in Board Rule 1843.5(a). The proposed regulation will affect horseracing and not any other type of businesses within California. However, under Board Rule 1581, racing associations may establish race meet agreements that must be approved by the Board prior to obtaining licensure to run a meet, and racing associations in California have already been establishing such agreements that conform to the standards outlined in the proposed regulations. Therefore, the proposed regulations will have minimal impact on the racing industry as these regulations are just codifying a practice already in place. Therefore, the Board has determined that the proposed regulatory action is not relevant to the expansion of businesses currently doing business within the state of California.