

FINAL STATEMENT OF REASONS

UPDATED INFORMATIVE DIGEST

There have been no changes in applicable laws or to the effect of the proposed regulation from the laws and effects described in the Notice of Proposed Action.

The Board adopted Rule 2049, Designation and Approval of Horsemen's Welfare Fund, at the January 22, 2020 Regular Board Meeting.

LOCAL MANDATE DETERMINATION

The adoption of Rule 2049 does not impose any mandate on local agencies or school districts.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE ORIGINAL NOTICE PERIOD OF NOVEMBER 29, 2019, TO JANUARY 13, 2020.

No comments were received during the original notice period of November 29, 2019, to January 13, 2020.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED AT THE JANUARY 22, 2020 REGULATORY HEARING.

No comments were received at the January 22, 2020 Regulatory Hearing.

The adoption of Rule 2049 has no significant adverse economic impact on small business.

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ALTERNATIVE DETERMINATION

The Board has determined that no alternative would be more effective in carrying out the purpose for which the regulation was proposed, would be as effective and less burdensome to affected private persons than the proposed regulation, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. The amendment to Rule 2049, Designation and Approval of Horsemen's Welfare Fund, will revise subsection 2049(a) to increase the maximum allowable number of directors or trustees that serve on the board of the Horsemen's Welfare Fund from nine to eleven; increase the term length for a director or trustee from two years to three; and eliminate the requirement that if the directors or trustees of the Horsemen's Welfare Fund are common directors of the horsemen's organization responsible for establishing the Horsemen's Welfare Fund, then at least forty percent of the directors or trustees must have no interest in horse racing as a licensed horse owner, trainer, or assistant trainer and must not be a current member of the

horsemen's organization. The Board invited interested persons to present statements or arguments with respect to alternative to the proposed regulation at the scheduled hearing or during the written comment period. No alternatives were proposed.

No alternatives that would lessen any adverse economic impact on small business were proposed.