

INITIAL STATEMENT OF REASONS  
RULE 1843.2 CLASSIFICATION OF DRUG SUBSTANCES

SPECIFIC PURPOSE OF THE REGULATION:

California Horse Racing Board (Board) Rule 1843.2, Classification of Drug Substances, provides that the Board, the board of stewards, the hearing officer, or the administrative law judge, when adjudicating a hearing for a violation of Business and Professions Code (BPC) 19581, shall consider the classification of the substance as referenced in the Board Classification of Foreign Substances, Alphabetical Substances List (Substances List), which is incorporated by reference in the regulation and based on the Association of Racing Commissioners International (ARCI) Uniform Classification Guidelines for Foreign Substances (Uniform Classification Guidelines), as modified by the Board.

The proposed amendment seeks to update the Substances List reference from February 2021 to February 2026, which will be modified to incorporate new substances and classifications, and updates the Uniform Classification Guidelines reference from December 2020 to December 2025.

PROBLEM:

The ARCI regularly modifies its Uniform Classification Guidelines which identify the classifications of drugs and substances and recommended penalties for drug or substance violations. The Board's Substances List, which is incorporated by reference in Board Rule 1843.2, is based on ARCI's Uniform Classification Guidelines. Since the Board last updated the Substance List, based on ARCI's Uniform Classification Guidelines published in December 2020, ARCI's Uniform Classification Guidelines has had numerous updates. As a result, the Board's Substances List is outdated and missing critical information necessary to classify drug substances.

The ARCI guidelines have been adopted by majority of racing states. By updating the Substances List to reflect ARCI guidelines horse owners and trainers from other states gain familiarity with prohibited medications and drug substances in California, as they do in other major racing states. When the classifications and penalties are outdated from ARCI's national model, it creates confusion and a lack of clarity, especially for participants who are racing from out of state, and potentially leads to accidental violations that carry penalties. These penalties can be financially detrimental to trainers and owners and result in fewer horses racing in California, creating a negative economic impact on California's horse racing industry.

The ARCI Uniform Classification Guidelines are updated annually to reflect evolving science, such as incorporating new substances that have been discovered or reclassifying existing ones. If the Board does not update the Substances List to reflect these changes, then it inaccurately reflects current medical and veterinary science. An outdated Substances List can fail to safeguard the well-being and safety of racehorses in California. This may negatively impact public perception of horse racing and result in reduced participation by the wagering public, which creating economic consequences for the horse racing industry.

To promote integrity, clarity, and consistency in horse racing, it is critical that the Board updates the Substances List to align with the current ARCI Uniform Classification Guidelines.

#### NECESSITY:

The proposed amendment to Board Rule 1843.2 will modify the Substances List's revision date from February 2021 to February 2026. This is necessary to update the reference to the most up to date version of the Substances List, which is incorporated by reference.

The proposed amendment will update the reference to Uniform Classification Guidelines from December 2020 to the most recent version published in December 2025. This is necessary to reference the most recently published Uniform Classification Guidelines, which ARCI updates yearly to incorporate updates in yearly veterinary medicine, technology, and regulation. The current Board Rule 1843.2 references an outdated version of Uniform Classification Guidelines, which excludes new substances that have been discovered and classified, or substances that current veterinary science and technology has suggested need reclassifying since December 2020. It is necessary to update to the most up to date version to safeguard the health of California's racehorses.

The Substances List will be updated to align with ARCI's Uniform Classification Guidelines to incorporate the latest drugs, substances and medical science. The ARCI draws upon significant veterinary, medical, scientific, industry and regulatory resources when developing its Uniform Classification Guidelines. Every year, new drugs and substances are discovered and classified, and existing drugs and substances are reclassified due to evolving veterinary science. As a result, the national horseracing industry adapts in its treatment and perception of certain drugs and substances as a result.

When new drugs and substances are discovered, or the effects are further understood due to advancement in veterinary technology, it is necessary to incorporate these changes into the Board's Substances List for the protection of the health and safety of racehorses. The incorporation of drugs and substances into the Substances List discourages the use of substances, which can have detrimental effects on racehorses, by recommending penalties for violations of Board rules.

With the development of veterinary technology, the detection of drugs and substances in racehorses has been refined to the point that accidental environmental contamination can lead to detectable amounts of substances in official test samples. It is necessary to reclassify drugs and substances for instances such as this, where the penalty recommendation is designed to punish for intentional misuse and abuse, to prevent over penalizing for accidental contamination that is detectable. The Substance List features a "Special Notation" Section that contains comments regarding specific drug substances. The notations are intended to give the Board leeway for such incidents and provide additional guidance and clarity when considering medication penalties.

The classification of drugs for the Substances List and ARCI's Uniform Classification Guidelines are a two-part system consisting of a number and letter. A letter classification represents the class of violation that should be issued, which a number classification represents the type of substance. Drugs are classified as penalties A, B, or C, with a class of one through five. Penalties A through C reflect the class of penalty violation that will be issued based on how negligent or dangerous a drug is, and the threat it poses to the integrity of horse racing. A penalty "A" violation is the most severe violation. A penalty "B" violation, while less severe than a penalty "A" violation, results from a potentially dangerous or dishonest act of negligence that requires a higher penalty than a penalty "C" violation. A penalty "C" violation is the least severe violation, often resulting from the accidental overuse of a therapeutic drug.

The subclassification of drugs is defined by classes 1 through 5. Class 1 drugs are stimulants and depressant drugs that have the highest potential to affect performance with no generally accepted medical use in racehorses. Class 2 drugs, substances, or medications are drugs that have a high potential to affect performance, but less of a potential than drugs in Class 1. These drugs are either not generally accepted as therapeutic agents in racehorses or they are therapeutic agents that have a high potential for abuse. Class 3 drugs are drugs that may or may not have generally accepted medical use in racehorses, but the pharmacology suggests less potential to affect performance than drugs in Class 2. Class 4 drugs include therapeutic medications that would be expected to have less potential to affect performance than those in Class 3. Class 5 drugs include therapeutic medications that have very localized actions only.

The proposed revisions add 11 new drugs and substances. The proposed revisions to the Substances List align with the ARCI Uniform Classification Guidelines, except for Chorionic Gonadotropin (CG), Cobalt, Furosemide, Luteinizing Hormone (LH), Medroxyprogesterone, Ractopamine, and Zilpaterol Hydrochloride.

While CG and LH are listed as class 3B substances in both the ARCI Uniform Classification Guidelines and Substances List, the Substances List differs in the special notation, in which a penalty class 4D is recommended for intact females. This is necessary to specify that CG and LH, female hormones associated with pregnancy, have no medically acceptable use, but can be used as behavioral modifiers in male horses and spayed female horses. In intact female horses, they may be associated with pregnancy and should carry a lesser penalty.

The proposed Substance List and ARCI Uniform Classification Guidelines both distinguish between Cobalt violations in excess of 25.0 parts per billion and violations in excess of 50.0 parts per billion but differ in penalty class. The Substances List proposes a penalty class 4C for violations in excess of 25.0 parts per billion and a penalty class 3B for violations in excess of 50.0 parts per billion, while ARCI's Uniform Classification Guidelines provide for a written warning and placement on the Veterinarian's List for a violation in excess of 25.0 parts per billion, which is a lesser violation than the Substances List, and a penalty class 3B for violations in excess of 50.0 parts per billion. The penalties set on the Substances List are necessary because cobalt is naturally found in vitamins, minerals, and feed. The two-tier penalty system is necessary to recognize those who may have levels due to feed and supplements.

The proposed Substance List classifies furosemide as a class 4C violation while ARCI's Uniform Classification Guidelines classifies the penalty as N/A. Furosemide is a lasix requiring a therapeutic use exemption to be administered on race day. A 4C penalty is necessary because it can exceed the threshold or be found in a horse that is not registered to receive it.

Medroxyprogesterone is listed as a class 3B substance for all horse sexes in ARCI's Uniform Classification Guidelines, while the Substances List classifies it as a 4C substance with the special notation "classification for geldings, colts, adult intact males, spayed females only. Penalty class 4D for intact females". Medroxyprogesterone is a type of female hormone used for treating intact female horses regarding pregnancy. As a result, its use in males or spayed females is unrelated to medical and veterinary purpose, warranting a stricter 3B penalty.

The special notation for Ractopamine and Zilpaterol Hydrochloride differ from the ARCI Uniform Classification Guidelines. The proposed Substance List identifies them as class 2A penalties, but provides that if the Board, board of stewards, the hearing officer, or the administrative law judge determines that the finding of Ractopamine or Zilpaterol Hydrochloride was unintentional and not based on an attempt to affect the outcome of a race, they may elect to assign a class 2B penalty. Ractopamine and Zilpaterol Hydrochloride are Beta 2 agonists used in commercial livestock feeds to improve muscling and feed efficiency. The notation is necessary for the event that the source of these drugs is from a contamination event occurring at the feed mill where grains are mixed and processed.

#### BENEFITS ANTICIPATED FROM THE REGULATORY ACTION:

By updating the Substances List to reflect the most recent version of ARCI's Uniform Classification Guidelines, it will benefit the horseracing industry by continuing to safeguard racehorses. ARCI utilizes the expertise of the industry's leading scientific, veterinary, medical, technological, and regulatory authorities when developing its Uniform Classification Guidelines, which benefits the Substances List to ensure it relies on scientific, medical, veterinary, and regulatory developments. By including the most up to date versions, it incorporates newly discovered drugs that are potentially harmful to horses and issues penalties for uses of the drugs, which discourages their use, safeguarding the health and wellbeing of racehorses and ensuring integrity in horseracing. By safeguarding integrity in horseracing, it improves the public's perception of the California horseracing industry, which can lead to increased participation of the wagering public and horse owners, resulting in increased handle and a larger horse population in California.

In addition to safeguarding racehorses, it will also create uniformity in horseracing. Since ARCI's Uniform Classification Guidelines has been adopted by many racing states, such as major racing states like New York, Florida, and Texas, by creating consistency of penalty recommendations, it helps avoid confusion among horseman racing and training in California. It also helps promote more horsemen from racing in California due to consistency between racing states by allowing them to race in California without fear of accidentally being in violation.

#### TECHNICAL, THEORETICAL, AND EMPIRICAL STUDIES, REPORTS OR SIMILAR DOCUMENTS RELIED UPON:

Association of Racing Commissioners International. *Uniform Classification Guidelines for Foreign Substances and Recommended Penalties Model Rule*. December 2025 (V.19.1)

## RESULTS ECONOMIC IMPACT ASSESSMENT:

The results of the Board's Economic Impact Assessment as required by Government Code (GC) section 11346.3(b) are as follows:

- The proposed regulation will not impact the creation or elimination of jobs within the state.
- The proposed amendment will not have an impact on the creation of new businesses or the elimination of existing businesses within the state.
- The proposed regulation will not have an impact on the expansion of businesses currently doing business within the state.
- The proposed regulation will benefit the health and welfare of California's racehorses and the health and welfare of some of California's residents employed in the horse racing industry but will not benefit the State's environment.

The Board has made an initial determination that the proposed amendment to Board Rule 1843.2 will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. Board Rule 1843.2 provides that the Board, board of stewards, hearing officers, or administrative law judges, when adjudicating a hearing for a violation of BPC 1951, shall consider the classification of the substance as referenced in the Board's Substances List, which is based on the ARCI's Uniform Classification Guidelines. The proposed amendment updates the reference to the Substances List and ARCI's Uniform Classification Guidelines, which the Substances List is derived. The updates to the Substances List will have no direct or economic impact on any person, except those in violation of the Substances List.

## CREATION OR ELIMINATION OF JOBS WITHIN THE STATE OF CALIFORNIA

The proposed amendment to Board Rule 1843.2 does not impact the creation or elimination of jobs within the State of California. The proposed amendment updates the reference to the Board's Substances List and ARCI's Uniform Classification Guidelines. The proposed amendment updates the Substances List to incorporate new and revised drugs and substances and their penalty classifications and references the most up to date version of ARCI's Uniform Classification Guidelines, from which the Substance List is derived. The proposed amendment only deals with penalty recommendations for regulated drugs and substances, and its financial impact only affects individuals who

have committed infractions and face fines as a penalty. Thus, the proposed amendment does not impact the creation or elimination of jobs within the state of California.

#### CREATION OF NEW BUSINESSES OR THE ELIMINATION OF EXISTING BUSINESSES WITHIN THE STATE OF CALIFORNIA

The proposed amendment to Board Rule 1843.2 does not impact the creation of new businesses or the elimination of existing businesses within the state of California. The proposed amendment updates the reference to the Board's Substances List and ARCI's Uniform Classification Guidelines. The proposed amendment updates the Substances List to incorporate new and revised drugs and substances and their penalty classifications and references the most up to date version of ARCI's Uniform Classification Guidelines, which the Substance List is based off. The proposed amendment only deals with penalty recommendations for regulated drugs and substances, and its financial impact only affects individuals who have committed infractions and face fines as a penalty. Thus, the proposed amendment to Board Rule 1843.2 has no impact on the expansion or the elimination of existing businesses within the state of California.

#### BENEFITS OF THE REGULATION TO THE HEALTH AND WELFARE OF CALIFORNIA RESIDENTS, WORKER SAFETY, AND THE STATE'S ENVIRONMENT

The proposed amendment to Board Rule 1843.2 updates the reference to the Substances List and ARCI's Uniform Classification Guidelines. The Substances List is based on the most recent version of Uniform Classification Guidelines. The proposed amendment updates the Substances List to reflect the updates of ARCI's Uniform Classification Guidelines and incorporates new and revised drugs and substances and their penalty classifications.

The proposed amendment benefits the health and welfare of California residents, more specifically, those employed as jockeys and drivers, and worker safety by ensuring that the use and abuse of regulated and prohibited drugs and substances is discouraged through penalties. By prohibiting the use of drugs and substances and issuing penalties for their use, it safeguards the health and wellbeing of racehorses, which in turn protects the health and wellbeing of jockeys and drivers in California.

The proposed amendment does not benefit the state's environment.

#### REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION:

The proposed amendment to Board Rule 1843.2 was discussed at the March 11, 2026, regular Board meeting. No alternatives to the recommendation were proposed by the Board or any other individual or entity at the meeting. No subsequent alternative recommendations were made prior to the notice. The Board invites any interested party to submit comments that offer any alternative proposal.