

CALIFORNIA HORSE RACING BOARD
TITLE 4, DIVISION 4. CALIFORNIA CODE OF REGULATIONS
NOTICE OF PROPOSAL TO AMEND
RULE 1503. QUALIFICATIONS FOR LICENSE AS TRAINER
OR
ASSISTANT TRAINER

The California Horse Racing Board (Board) proposes to amend the regulation described below after considering all comments, objections or recommendations regarding the proposed action.

PROPOSED REGULATORY ACTION

The Board proposes to amend Board Rule 1503, Qualifications for License as Trainer or Assistant Trainer to change the requirements for taking and passing the trainer examination and for obtaining a Board trainer license. Applicants who have never held a Board occupational license as a trainer or assistant trainer, and who do not currently hold such license in another horse racing jurisdiction, must take the trainer examination. The applicant must pass the trainer examination with a score of 80 percent or higher. Persons taking the trainer examination may no longer re-test for only the failed portion of the test and the entire test must be re-administered. If a candidate fails the test he or she must wait a minimum of 90 days before re-examination. If a candidate fails the test three times within a calendar year, he or she must wait at least one year for re-examination. A successful first-time applicant will no longer receive a Board trainer license. Instead, he or she will be licensed as an assistant trainer and must work for a Board-licensed trainer for a period of one year before becoming eligible to receive a trainer license. A person licensed as an assistant trainer who wishes to obtain a Board trainer license must present a recommendation card signed by a Board-licensed trainer who has employed the applicant for at least one year. The recommendation card also must be signed by a Board steward. The steward's signature certifies that the applicant has maintained a valid Board assistant trainer license in good standing for at least one year and has passed the trainer examination with a score of 80 percent or higher. Applicants for license as trainer or assistant trainer who are currently licensed in another jurisdiction may be subject to any portion of the Board trainer test, as determined by the stewards. Applicants for licensure as a trainer or assistant trainer who wish to change the type of license they hold (ex: from harness racing to flat racing) will be subject to the trainer's test. The proposed amendment changes the title of the regulation from "Qualifications for License as Trainer or Assistant Trainer" to "Qualifications for License as Assistant Trainer and Trainer" as the change to the title more accurately reflects the steps an applicant must take to ultimately be licensed as trainer. All other changes to the regulation are for purposes of clarity and consistency.

PUBLIC HEARING

The Board will hold a public hearing starting at **9:30 a.m., Thursday, March 19, 2020**, or as soon after that as business before the Board will permit, at the **Clubhouse** at the

California Exposition and State Fair Grandstand, 1600 Exposition Boulevard, Sacramento, California. At the hearing, any person may present statements or arguments orally or in writing about the proposed action described in the informative digest. It is requested, but not required, that persons making oral comments at the hearing submit a written copy of their testimony.

WRITTEN COMMENT PERIOD

Any interested persons, or their authorized representative, may submit written comments about the proposed regulatory action to the Board. The written comment period closes **March 16, 2020**. The Board must receive all comments at that time; however, written comments may still be submitted at the public hearing. Submit comments to:

Zachary Voss, Regulation Analyst
California Horse Racing Board
1010 Hurley way, Suite 300
Sacramento, CA 95825
Telephone (916) 263-6036
Fax: (916) 263-6022
Email: zavoss@chrb.ca.gov

AUTHORITY AND REFERENCE

Authority cited: Sections 19420, 19440, and 19460, Business and Professions Code (BPC).

Reference: Sections 19420, 19440, and 19460, BPC.

BPC sections 19420, 19440, and 19460 authorize the Board to adopt the proposed regulation, which would implement, interpret, or make specific sections 19420, 19440, and 19460 of the BPC.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

BPC section 19420 provides that jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the Board. BPC section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. BPC section 19460 provides that all licenses granted under this chapter are subject to all rules, regulations, and conditions from time to time prescribed by the Board. Board Rule 1503, Qualifications for License as Trainer or Assistant Trainer, describes the requirements and license examination process for license as trainer or assistant trainer.

Trainers' and assistant trainers' professional duties involve considerable responsibility, complexity, and variety as they decide the day-to-day preparations needed to train a horse to run in a race. They manage the care, feeding, and grooming regimen of the horse, as well as the horse's exercise and rest. In addition, trainers participate in decisions regarding the medication and physical therapy treatments their horses receive. Ideally, trainers and assistant trainers work to run stables that are efficient, cost effective, and successful, and they hire and train employees in the best practices. This requires that trainers and assistant trainers must be informed about such issues as changing theories in training methods, discoveries regarding the physiological effects of exercise, or research regarding medications and their effects on the horses in their care. Trainers and assistant trainers must also be aware of issues involving stable management and their employees.

Ideally, much of a trainer or assistant trainer's knowledge regarding the management of horse racing operations would come from practical on-track experience. Applicants for a trainer license, however, do not necessarily need on-track experience. Under Board Rule 1503, the Board requires first-time applicants for license as trainer or assistant trainer to pass written, oral, and practical examinations prior to issuance of a license. A candidate for license as trainer or assistant trainer must pass each portion of the examination with a score of at least 80 percent. Under existing regulation, an applicant who fails any portion of the examination must wait one month before being eligible to apply to re-take the failed portion of the exam. The applicant does not have to re-test for those portions of the exam he or she passed. Any person who can pass the trainer examination, pay the fee, and in the case of trainers, provide evidence that liability for worker's compensation has been secured in accordance with California's Labor Code, may obtain a Board trainer license.

Practical on-track experience under the guidance of a Board-licensed trainer is critical for applicants to develop their horsemanship and practical knowledge regarding stable operations. Opportunities for guidance and study under a more experienced trainer help develop a familiarity with the day-to-day responsibilities and skills necessary to train race horses and assistant trainers then are ultimately better equipped to run cost effective, efficient and safe stables that promote the health and welfare of the equine athletes under their care.

To ensure that applicants for a trainer license possess practical on-track experience, the Board proposes to amend Board Rule 1503. The title of the regulation has been changed to "Qualifications for License as Assistant Trainer and Trainer." The change more accurately reflects the steps an applicant (who has never held a trainer license) must take to ultimately be licensed as a trainer. The applicant must take and pass the trainer test, as well as work with a Board-licensed trainer for a period of at least one year before being eligible to obtain a Board trainer license.

Subsection 1503(a) of the proposed amendment to Board Rule 1503 has been modified to require applicants for license as assistant trainer to pass the trainer examination before being awarded an assistant trainer license. The trainer test is rigorous and includes a

written portion that demonstrates an applicant's knowledge of the Board's rules and regulations. The oral and practical portions of the examination include testing the applicant's knowledge of equipment for exercising and racing, different types of leg wraps and bandaging, as well as knowledge of proper stable management. The oral portion is given by the official veterinarian and covers such areas as medication issues, feeding, and track procedures. The trainer test is designed to measure in 15 or 20 minutes a candidate's ability to watch a horse working and decide if the horse needs more, or less training, or if the horse is traveling sore. The ability to judge the horse's overall health and ability is largely the result of hands-on experience, and stewards test for this ability by administering the trainer examination.

Subsection 1503(a)(2) of the proposed amendment to Board Rule 1503 has been modified to provide that applicants who fail any portion of the trainer examination must re-take the examination in its entirety and may not apply for re-examination for at least 90 days from the date of the failed examination. Under the current regulation, applicants may re-apply to take the failed portion of the examination within one month of taking the test. The Board has determined, however, that applicants are qualified for license if they are proficient in all aspects of the trainer examination at any given time, not just a portion of them. Therefore, allowing applicants to re-apply to take only the failed portion of the examination is ineffective for testing the aptitude of potential trainers for the skills and knowledge to manage horse racing operations. Additionally, the Board has determined that 30 days is not enough time for applicants to prepare for re-examination and the 90-day interlude will provide applicants with the time necessary to improve in areas of the test in which they failed.

A new subsection 1503(a)(3) of the proposed amendment to Board Rule 1503 provides that an applicant who fails the trainer examination three times within a calendar year may not apply for re-examination for at least one year from the date of the third failed examination. An applicant who fails the trainer examination three times within a calendar year has demonstrated a lack of the necessary skills and knowledge required of trainers and assistant trainers and the Board has determined it is necessary to provide a one-year examination hiatus for these applicants so that they may work to improve their horsemanship before retesting.

Subsection 1503(a)(4) of the proposed amendment to Board Rule 1503 provides that the trainer examination shall be scheduled not less than once a month at a time and location designated by the Board. The amendment to this subsection was for purposes of clarity.

New subsections 1503(b) through (b)(2) of the proposed amendment to Board Rule 1503 provide that an applicant for original license as trainer shall hold a Board assistant trainer license in good standing for a minimum of one year and shall have worked in California as an assistant trainer under a Board-licensed trainer for a minimum of one year. To ensure that all aspiring Board-licensed trainers have a solid foundation in race horse management and operations grounded in practical on-track experience, the Board has determined it is necessary for an assistant trainer to have at least one year's experience under the guidance of a Board-licensed trainer before being eligible to apply for license

as trainer. The experience of an assistant trainer working under a trainer is the ideal preparation in practical on-track management of horse racing operations. If the trainer works strings of horses at more than one track, the assistant trainer under their supervision may oversee one of the many barns and report to the trainer on progress and important information daily. The assistant trainer would communicate any important details about the horses' ability and soundness. Other assistant trainers may work for a trainer who stays at one track and the trainer and assistant trainer would work together, sharing barn responsibilities. Assistant trainer duties may include communicating with the veterinarian, blacksmith, dentist, and bookkeeper, entering horses to race, recording workout times, completing paperwork, checking the horse for injuries, paddock schooling upcoming runners, saddling for the race, managing grooms, hot walkers and riders, and scheduling workouts and races with agents and jockeys. The assistant trainer's job is to care for the barn as if they are the trainer and to adequately prepare them to become a Board-licensed trainer.

New subsections 1503(b)(3) through (b)(3)(ii) of the proposed amendment to Board Rule 1503 provide that prior to applying for a trainer license, an applicant for an original license as trainer must submit a California Horse Racing Board Trainer Recommendation Card, Form CHRB-59C (59C) (New 09/19), which is incorporated by reference in Board Rule 1503. The 59C must be signed by a Board-licensed trainer in good standing and a Board steward. The steward's signature certifies that the applicant has maintained a Board assistant trainer's license in good standing for at least one year and that the applicant has passed the Board trainer examination with a score of 80 percent or higher. Traditionally, the stewards have looked for evidence of horse racing experience in persons who wish to take the Board trainer test. Most often this has taken the form of a verbal recommendation by a Board-licensed trainer who has employed the applicant, or a period as a race horse owner. The Board has determined that more substantial evidence of an applicant's horse racing experience is a necessary precondition for qualification to apply for an initial license as a trainer. Therefore, the Board proposes to require assistant trainers to work for a minimum of one year under the employ of a Board-licensed trainer before being eligible to apply for a trainer's license. The trainer's signature on the form 59C certifies that the applicant has worked for him or her as an assistant trainer for a period of at least one year and satisfactorily performed the duties of an assistant trainer while under his or her supervision. If the applicant has worked for multiple trainers with a combined experience of at least one year, the applicant may submit multiple signed recommendation cards.

New Subsections 1503(c) through 1503(c)(1) of the proposed amendment to Board Rule 1503 provide that trainers or assistant trainers from out-of-state jurisdictions who seek licensure in California must demonstrate that they have held similar licenses in other jurisdictions for a minimum of one year and in good standing. The applicants must also appear before the Board of Stewards and may be subject to any portion of the trainer examination and must pass any portion of the trainer examination that the Board of Stewards chooses to administer with a minimum score of 80 percent. If the applicant fails, he or she is subject to the same 90-day or one-year interludes before re-examination that apply to new applicants for licensure. Though the Board recognizes reciprocal

licensing between states, some racing jurisdictions do not have licensing standards similar to California and the Board requires a mechanism to ensure that licensees from other jurisdictions possess the requisite horsemanship and command of Board rules and regulations to responsibly manage racing operations in California.

New subsection 1503(d) of the proposed amendment to Board Rule 1503 provides that a currently licensed trainer or assistant trainer who wishes to change his or her license from one type of racing to another (ex: from harness to flat racing), is required to take the trainer examination and pass with a minimum score of 80 percent. Different breeds of race horses are subject to unique rules and regulations and the idiosyncrasies in stable management and care for race horses of one breed do not always match the requirements of another breed. The Board has determined it is necessary to require re-administration of the trainer examination to ensure that trainers and assistant trainers are well versed in the requirements of the different breeds, prior to switching the type of racing that an applicant is licensed in.

Reference to Business and Professions Code (BPC) section 19510 has been removed as section 19510 applies to stewards and racing officials, not to occupational licensees such as assistant trainers and trainers.

FORMS INCORPORATED BY REFERENCE

- 1) Form CHRB-59C, California Horse Racing Board Trainer Recommendation Card (New 09/19).

The proposed amendment of Board Rule 1503 incorporates by reference Form CHRB-59C, California Horse Racing Board Trainer Recommendation Card (New 09/19) (59C), as it would be cumbersome, unduly expensive or otherwise impractical to publish the documents in the California Code of Regulations (CCR).

The 59C will be used to demonstrate that an applicant for license as a trainer has held a Board assistant trainer license in good standing for a minimum of one year prior to applying for license as a trainer, and the applicant has worked in this state as an assistant trainer under the supervision of a Board-licensed trainer for at least one year. The 59C will be signed by a Board-licensed trainer to certify that the applicant worked for him or her as an assistant trainer and satisfactorily performed the duties of an assistant trainer while under his or her supervision. The 59C will also be signed by a Board steward to certify that the applicant has passed the written, practical and oral portions of the trainer examination and has maintained an assistant trainer license for a minimum of one year in good standing.

POLICY STATEMENT OVERVIEW OF ANTICIPATED BENEFITS OF PROPOSAL

The proposed amendment to Board Rule 1503 will have the benefit of promoting the safety and welfare of race horses, backstretch workers, and exercise riders/jockeys. The amendment provides clarity about how to become qualified for a license as an assistant

trainer or trainer and ensures that every eligible applicant has a firm grounding in practical on-track experience with managing racetrack operations. The amendment provides that aspiring trainers work under the supervision of a Board-licensed trainer as assistant trainers for a minimum of one year. This has the benefit of providing assistant trainers an opportunity to study under experienced trainers and gain insight into the practical operation and management of stables, race horses, and staff. Additionally, the proposed amendment provides that qualification for license as assistant trainer and trainer is contingent upon passing the trainer examination with a score of 80 percent or higher. Ensuring that qualifying applicants are well qualified has the benefit of promoting the health and safety of the horses under their care, and the health and safety of the jockeys and drivers who ride those horses.

The proposed amendment to Board Rule 1503 will promote capable and knowledgeable applicants applying for licensure as assistant trainer and trainer. This, in turn, safeguards the health and welfare of horse and rider, but also may result in increased public confidence in the California horse racing industry, which may result in increased wagering. An increase in wagering will have a positive economic impact on the industry by increasing handle, which in turn increases purses and commissions.

CONSISTENCY EVALUATION

During the process of developing the amendment to Board Rule 1503, the Board has conducted a search of any similar regulations on this topic and has concluded that the regulation is neither inconsistent nor incompatible with existing state regulations.

DISCLOSURES REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: none.

Cost or savings to any state agency: none.

Cost to any local agency or school district that must be reimbursed in accordance with Government Code (GC) sections 17500 through 17630: none.

Other non-discretionary cost or savings imposed upon local agencies: none.

Cost or savings in federal funding to the state: none.

The Board has made an initial determination that the proposed amendment of Board Rule 1503 will not have a significant statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states.

The following studies/relevant data were relied upon in making the above determination: none.

Cost impact on representative private persons or businesses: none

The Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. The examination for licensure of trainers and assistant trainers is of no cost to applicants, and so no costs would be incurred by mandating additional examination requirements for applicants.

Significant effect on housing costs: none

ECONOMIC IMPACT ASSESSMENT

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

The proposed amendment to Board Rule 1503 will provide consistency and clarity with regards to the process for trainers and assistant trainers to obtain licensure and will ensure that qualifying applicants for license as assistant trainer and trainer have a solid background with practical on-track experience in management of horse racing operations. The proposed amendment will protect the interests of California horsemen and the public by ensuring trainers and assistant trainers are informed regarding advancements in horsemanship, equine medication and health and safety issues, and issues relating to the health, safety, and welfare of backstretch personnel and jockeys.

The proposed amendment to Board Rule 1503 will impact applicants for license as assistant trainer and trainer. However, the net economic effect of the proposed regulation will be neutral, as the proposed regulation does not impose any new licensure fees.

The proposed regulation will not impact the state's environment.

Cost impact on representative private persons or businesses: The Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Significant effect on housing costs: none.

The adoption of the proposed amendment to Board Rule 1503 will not (1) create or eliminate jobs within California. Although Board Rule 1503 will require assistant trainers to work for one year under the supervision of a Board-licensed trainer if they wish to ultimately apply for license as trainer, the proposed rule will not create any new jobs in California. A current Board-licensed assistant trainer already must work for a licensed trainer to use such a license; (2) create new businesses or eliminate existing businesses within California; or (3) affect the expansion of businesses currently doing business within California.

Effect on small businesses: none. The proposal to amend Board Rule 1503 does not affect small businesses because horse racing is not a small business under GC section 11342.610.

CONSIDERATION OF ALTERNATIVES

In accordance with GC section 11346.5, subdivision (a)(13), the Board has determined that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation at the scheduled hearing or during the written comment period.

CONTACT PERSON

Inquiries concerning the substance of the proposed action and requests for copies of the proposed text of the regulation, the initial statement of reasons, the modified text of the regulation, if any, and other information upon which the rulemaking is based should be directed to:

Zachary Voss, Regulation Analyst
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825
Telephone: (916) 263-6036
Fax: (916) 263-6022
E-Mail: zavoss@chrb.ca.gov

If the person named above is not available, interested parties may contact:

Amanda Drummond, Policy and Regulations Manager
California Horse Racing Board
Telephone (916) 263-6033
E-mail: amdrummond@chrb.ca.gov

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its offices at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the

proposed text of the regulation, and the initial statement of reasons. Copies of these documents, or any of the information upon which the proposed rulemaking is based on, may be obtained by contacting Zachary Voss, or the alternative contact person at the address, phone number, or e-mail address listed above.

AVAILABILITY OF MODIFIED TEXT

After holding a hearing and considering all timely and relevant comments received, the Board may adopt the proposed regulation substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the modified text, with changes clearly marked, shall be made available to the public for at least 15 days prior to the date on which the Board adopts the regulation. Requests for copies of any modified regulations should be sent to the attention of Zachary Voss at the address stated above. The Board will accept written comments on the modified regulation for 15 days after the date on which it is made available.

AVAILABILITY OF FINAL STATEMENT OF REASONS

Requests for copies of the final statement of reasons, which will be available after the Board has adopted the proposed regulation in its current or modified form, should be sent to the attention of Zachary Voss at the address stated above.

BOARD WEB ACCESS

The Board will have the entire rulemaking file available for inspection throughout the rulemaking process at its web site. The rulemaking file consists of this notice, the proposed text of the regulation, and the initial statement of reasons. The Board's website address is: www.chrb.ca.gov.

CALIFORNIA HORSE RACING BOARD
TITLE 4. DIVISION 4. CALIFORNIA CODE OF REGULATIONS
RULE 1503. QUALIFICATIONS FOR LICENSES AS TRAINER
OR ASSISTANT TRAINER
INITIAL STATEMENT OF REASONS

SPECIFIC PURPOSE OF THE REGULATION

The proposed amendment to California Horse Racing Board (Board) Rule 1503, Qualifications for Licenses as Trainer or Assistant Trainer, will provide that applicants for an original license as an assistant trainer must pass a written, oral, and practical trainer examination prescribed by the Board and administered by its agents. An applicant who fails any portion of the trainer examination may not apply for re-examination for at least 90 days from the date of the failed examination and an applicant who fails the trainer examination three times in a calendar year may not apply for re-examination for at least one year from the date of the third failed examination. Upon passing the trainer examination with a score of 80 percent or higher for each portion, the applicant for an original license as a trainer must have held a Board assistant trainer license in good standing for a minimum of one year, have worked as an assistant trainer under the employment of a Board-licensed trainer for at least one year, and submit a California Horse Racing Board Trainer Recommendation Card (Form CHRB-59C) to become licensed as a trainer. The CHRB-59C shall be signed by a steward and a Board-licensed trainer who is in good standing and who has employed the applicant for at least one year. The proposed amendment to Board Rule 1503 will provide that applicants for a license as trainer or assistant trainer who are currently licensed as assistant trainer or trainer in a racing jurisdiction outside of California shall have held their license for a minimum of one year in good standing and appear before the Board of Stewards where the Board may subject the applicant to any portion of the trainer examination. The proposed amendment also provides that an individual currently licensed as trainer or assistant trainer who wishes to change his or her license from one type of racing to another type (ex: from harness racing to flat racing) is required to take and pass the trainer examination with a passing score of at least 80 percent.

PROBLEM

Trainers' and assistant trainers' professional duties involve considerable responsibility, complexity, and variety as they decide the day-to-day preparations needed to train a horse to run in a race. They manage the care, feeding, and grooming regimen of the horse, as well as the horse's exercise and rest. In addition, trainers participate in decisions regarding the medication and physical therapy treatments their horses receive. Ideally, trainers and assistant trainers work to run stables that are efficient, cost effective and successful, and they hire and train employees in the best practices. This requires that trainers and assistant trainers must be informed about such issues as changing theories in training methods, discoveries regarding the physiological effects of exercise, or research regarding medications and their effects on the horses in their care. Trainers and assistant trainers must also be aware of issues involving stable management and their employees.

Ideally, much of a trainer or assistant trainer's knowledge regarding the management of horse racing operations would come from practical on-track experience. Current applicants for a trainer license, however, do not necessarily need on-track experience. Under the existing Board Rule 1503, the Board requires first time applicants for license as a trainer or assistant trainer to pass written, oral, and practical examinations prior to issuance of a license. A candidate for license as a trainer or assistant trainer must pass the examination with a score of at least 80 percent for each portion. Under existing regulation, an applicant who fails any portion of the examination must wait one month before being eligible to apply to re-take the failed portion of the exam. The applicant does not have to re-test for those portions of the exam he or she passed. Any person who can pass the trainer examination, pay the fee, and in the case of trainers, provide evidence that liability for worker's compensation has been secured in accordance with California's Labor Code, may obtain a Board trainer license. The Board has determined that it is critical to the management of race horse operations to require practical, on-track experience as a successful assistant trainer in preparation to apply for an initial license as trainer. Accordingly, the Board proposes to amend Board Rule 1503 to require any applicant seeking to qualify for an original license as trainer to have first served a minimum of one year under the supervision of a Board-licensed trainer as an assistant trainer.

The trainer examination is meant to assess an applicant's knowledge of the complexity and variety of a trainer's responsibilities. The examination is comprehensive and inability to score 80 percent on any portion of the exam is disqualifying. Board Rule 1503 currently allows for the re-taking of only the failed portion of the examination, but the Board has determined that the ability to apply for re-examination for only the previously failed portion of the examination does not adequately reflect the comprehensive nature of the knowledge being tested. The knowledge represented in the three portions of the examination is applied simultaneously in practice and the duties and responsibilities of managing an efficient, cost effective, and successful stable require a wholistic understanding of changing theories in training methods, equine medication, and stable management.

Under the amended subsection (a)(2) of the proposed amendment to Board Rule 1503, an applicant who fails any portion of the trainer examination must re-take the examination in its entirety. Upon re-examination, the applicant will be tested on all three portions instead of only the failed portion, meaning that if an applicant needs to re-take the exam, the examination will cover more material than if the applicant only needed to re-take the previously failed portion of the examination. To accommodate the increased requirements for re-examination, the Board also proposes to amend Board Rule 1503 to allow more time for applicants to prepare for re-examination by requiring at least 90 days between failure and re-examination. If an applicant fails the trainer examination three times within a calendar year, the applicant may not apply for re-examination for at least one year from the date of the third failed examination. The Board has determined that failure to pass the trainer examination three consecutive times within a calendar year is evidence of a significant lack of preparedness and demands a larger period of time between failure and re-examination to ensure adequate time to fill any gaps in the applicant's knowledge.

NECESSITY

The Board proposes to amend Board Rule 1503, Qualifications for License as Trainer or Assistant Trainer. The proposed amendment changes the title of the regulation from “Qualifications for License as Trainer or Assistant Trainer” to “Qualifications for Licenses as Assistant Trainer and Trainer” as the change to the title more accurately reflects the steps an applicant must take to ultimately be licensed as a trainer.

Subsections 1503(a) through 1503(a)(3) of the proposed amendment to Board Rule 1503 specify the requirements for issuance of an assistant trainer license. Currently, Board Rule 1503 provides identical requirements for trainers and assistant trainers to obtain licensure. The amended Board Rule 1503 will require applicants to first become assistant trainers before applying for a full trainers license. This proposed amendment will provide unique requirements to qualify for licensure, so it is necessary for the Board to distinguish the specific requirements to obtain a license as an assistant trainer as they are different from those required to become a licensed trainer.

Subsection 1503(a) of the proposed amendment to Board Rule 1503 provides that an applicant for an original license as assistant trainer shall pass the written, oral and practical portions of the trainer examination as prescribed by the Board and administered by its agents. The trainer examination is necessary to ensure that applicants for licensure as an assistant trainer possess the horsemanship and knowledge of Board rules and regulations to responsibly and effectively assist trainers in stable operations.

Subsection 1503(a)(1) of the proposed amendment to Board Rule 1503 establishes a score of 80 percent for each portion of the trainer examination as the minimum passing score. It is necessary to ensure that applicants have adequate knowledge of all portions of the trainer examination. A minimum score of 80 percent guarantees that all applicants who pass the examination have, at minimum, a strong command over all the material being tested.

Subsection 1503(a)(2) of the proposed amendment to Board Rule 1503 provides that an applicant who fails any portion of the trainer examination may not apply for re-examination for at least 90 days from the date of the failed examination. This subsection also provides that applicants applying for re-examination after a failed attempt must re-take the trainer examination in its entirety, not just the portions failed during the previous attempt. The Board has determined that the re-taking of the examination in its entirety more accurately tests for the applicant’s command over the full range of complex and varying responsibilities of an assistant trainer and trainer. It is, therefore, necessary to provide ample time to prepare for re-examination by extending the minimum time required between failure and re-examination from one month to 90 days.

Subsection 1503(a)(3) of the proposed amendment to Board Rule 1503 provides that an applicant who fails the trainer examination three times within a calendar year may not apply for re-examination for at least one year from the date of the third failed examination. If an applicant for license as an assistant trainer fails the trainer examination three

consecutive times within a single calendar year, the Board has determined that this is evidence of a significant lack of preparedness and, therefore, necessitates a longer period of time to fill any gaps in the applicant's knowledge before reexamination.

Subsections 1503(b) through 1503(b)(3)(ii) of the proposed amendment to Board Rule 1503 specify the requirements for issuance of an original trainer license. Trainers' professional duties involve considerable responsibility, complexity, and variety as they decide the day-to-day preparations needed to train a horse to run in a race. They manage the care, feeding, and grooming regimen of the horse, as well as the horse's exercise and rest. In addition, trainers participate in decisions regarding the medication and physical therapy treatments their horses receive. Ideally, trainers work to run stables that are efficient, cost effective and successful and they hire and train employees in the best practices. This requires that trainers must be informed about such issues as changing theories in training methods, discoveries regarding the physiological effects of exercise, or research regarding medications and their effects on the horses in their care. Trainers and assistant trainers must also be aware of issues involving stable and employee management.

Subsections 1503(b) through 1503(b)(2) of the proposed amendment to Board Rule 1503 provide that an applicant for an original license as trainer shall hold a Board assistant trainer license in good standing for a minimum of one year prior to applying for licensure as a trainer and shall have worked in California as an assistant trainer under the supervision of a Board-licensed trainer for at least one year. An assistant trainer license in good standing is one that is active and has not been suspended, revoked, or allowed to lapse. An assistant trainer license in good standing signifies that an assistant trainer has taken and passed the trainer examination and has demonstrated proficiency in areas covered by the trainer examination by passing with a score of at least 80 percent. Maintaining an assistant trainer license in good standing for a minimum of one year demonstrates that an assistant trainer can adhere to the rules of the Board without incurring violations leading to suspension or revocation of a license for at least one year. One year is the duration of a typical racing season, so an assistant trainer with one year of supervised experience performing the duties of an assistant trainer has experienced the full cycle of a racing season. The applicant shall have also worked in California for at least one year under the supervision of a Board-licensed trainer. The requirements to become a licensed trainer or assistant trainer differ across racing jurisdictions. The Board only has authority over racing conducted in California and thus, can only enforce its standards on licensees in California. To ensure that applicants for license as trainer gain experience under the tutelage of a trainer who is familiar with the Board's rules, and that they do so in a jurisdiction where the Board can supervise their adherence to those rules, the amendment provides for a minimum of one year worked in California, as an assistant trainer, under the supervision of a Board-licensed trainer.

The Board recognizes that much of a trainer's knowledge regarding the management of horse racing operations comes from practical on-track experience. The Board proposes to amend Board Rule 1503 to encourage such practical development. As proof that the requirements in subsections 1503(b) through 1503(b)(2) were satisfied, subsections 1503(b)(3) through 1503(b)(3)(ii) provide that applicants for license as trainer submit a

California Horse Racing Board Trainer Recommendation Card, Form CHRB-59C. The CHRB-59C shall be signed by a steward and a Board-licensed trainer who is in good standing and who has employed the applicant for a minimum of one year. By signing the CHRB-59C, the trainer certifies that the applicant worked for him or her as an assistant trainer and performed the duties of an assistant trainer while under his or her supervision. It is necessary that the supervising Board-licensed trainer confirm that the applicant served the required minimum one year under their supervision performing the duties of an assistant trainer so that the Board has confirmation that the applicant has gained, at minimum, one year of practical on-track experience carrying out the duties of an assistant trainer while adhering to Board rules. By signing the CHRB-59C, the steward certifies that the applicant has passed the written, practical, and oral portions of the trainer examination and has maintained an assistant trainer license for a minimum of one year in good standing. It is necessary that the Board has confirmation that the applicant has passed the trainer examination and has maintained an assistant trainer license without committing violations of Board rules that lead to suspension or revocation for at least one year before the Board will grant the applicant a license as trainer. Subsection 1503(b)(3) also provides that an applicant who has been employed by more than one Board-licensed trainer may submit multiple recommendation cards if he or she worked as an assistant trainer in California for a total of at least one year. Assistant trainers may work for more than one trainer in a year and it may be the case that the time worked under any single trainer may not reach a year, but the sum of all periods worked for various trainers will satisfy the required year of employment under subsection 1503(b)(2). The Board's intent is to ensure that a year of experience is gained under the employment of a Board-licensed trainer, and it is necessary to ensure that applicants can validate this experience whether it was gained under the supervision on one or many trainers.

Subsection 1503(c) of the proposed amendment to Board Rule 1503 provides that an applicant who is licensed by another racing jurisdiction as a trainer, or assistant trainer, and has held the license in good standing for a minimum of one year is eligible to apply for license in California as an assistant trainer or trainer. The applicant shall appear before the Board of Stewards and they may subject the applicant to any portion of the trainer examination. Additionally, subsection 1503(c)(1) provides that if an applicant fails to achieve a passing score of 80 percent on any portions of the trainer examination administered, they will be subject to the provisions of subsections 1503(a)(2) and 1503(a)(3) that govern the interlude between failure and re-examination. The amendment to this subsection is necessary to provide that the interlude required between failure and re-examination is consistent with the changes made to the required interlude in subsections 1503(a)(2) and 1503(a)(3).

Subsection 1503(d) provides that an individual currently licensed as a trainer or assistant trainer who wishes to change his or her license from one type of racing to another is subject to the requirements under subsections 1503(a) through 1503(a)(3). The amended subsection rephrases current language more concisely while at the same time reflecting the updated requirements for the trainer examination in subsections 1503(a) through 1503(a)(3). It is necessary to amend 1503(d) to provide that the requirements

for examination and re-examination are consistent with amended sections 1503(a) through 1503(a)(3).

Reference to Business and Professions Code (BPC) section 19510 has been removed. Section 19510 applies to stewards and racing officials, not to occupational licensees such as assistant trainers and trainers.

All other changes to the regulation are for purposes of clarity and consistency.

BENEFITS ANTICIPATED FROM THE REGULATORY ACTION

The proposed amendment to Board Rule 1503 will provide that applicants for an original license as an assistant trainer must pass a written, oral, and practical trainer examination prescribed by the Board and administered by its agents. An applicant who fails any portion of the trainer examination may not apply for re-examination for at least 90 days from the date of the failed examination and an applicant who fails the trainer examination three times within a calendar year may not apply for re-examination for at least one year from the date of the third failed examination.

Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one year, have worked as an assistant trainer under the supervision of a Board-licensed trainer for at least one year, and submit a Form CHRB-59C. The CHRB-59C shall be signed by a steward and a Board-licensed trainer who is in good standing, and who has employed the applicant.

The proposed amendment to Board Rule 1503 will have the benefit of providing more clarity regarding the steps an applicant must take to ultimately be licensed as a trainer by specifying the requirements for licensure as assistant trainer as they differ from the qualifications for licensure as a trainer. Additionally, the process for administering the trainer examination resulting from the proposed amendment to Board Rule 1503 will have the benefit of more accurately reflecting the complex and varied responsibilities of assistant trainers and trainers, thereby ensuring that those who hold licenses are equipped to run stables that are efficient, cost effective, and successful. Lastly, the proposed amendments to Board Rule 1503 will ensure that candidates who qualify for licensure as a trainer will have practical on-track experience regarding the management of horse racing operations. By ensuring that Board-licensed assistant trainers and trainers are informed about the latest methodologies in stable operations and training, the proposed regulation has the benefit of promoting the health and safety of horses and jockeys/drivers. Therefore, the proposed regulation benefits the health and welfare of California residents and improves worker safety.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS OR DOCUMENTS

None.

RESULTS OF ECONOMIC IMPACT ASSESSMENT

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

- The proposed regulation will not impact the creation or elimination of jobs within the state of California.
- The proposed regulation will not have an impact on the creation of new businesses or the elimination of existing businesses within the state of California.
- The proposed regulation will not have an impact on the expansion of existing businesses within the state of California.
- The proposed regulation will benefit the state of California by helping ensure the health and safety of horse and rider. The proposed regulation will not benefit the state of California's environment.

The Board has made the determination that the proposed amendment to Board Rule 1503 will not have a significant statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states. The proposed regulation will provide that applicants for an original license as an assistant trainer must pass a written, oral and practical trainer examination prescribed by the Board and administered by its agents. Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one year and have worked as an assistant trainer under the supervision of a Board-licensed trainer for at least one year.

The Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. The examination for licensure of trainers and assistant trainers is of no cost to applicants, and so no costs would be incurred by mandating additional examination requirements for applicants.

Purpose:

The proposed amendment to Board Rule 1503 will provide that applicants for an original license as an assistant trainer must pass a trainer examination with a minimum score of 80 percent. The proposed amendment provides that applicants for an original license as a trainer must maintain a license as an assistant trainer in good standing for a minimum of one year, work under the supervision of a Board-licensed trainer for a minimum of one year, and submit form CHRB-59C with signatures from a Board-licensed steward and a Board-licensed trainer. The signed form CHRB-59C proves that the applicant passed the trainer examination, maintained an assistant trainer license in good standing, and possess the required experience under the supervision of a Board-licensed trainer. The proposed amendment also provides that trainers and assistant trainers licensed in out-

of-state jurisdictions who seek licensure as trainers or assistant trainers in California must have held a license in good standing for a minimum of one year and appear before the Board of Stewards where they may be subject to any portion of the trainer examination. Lastly, the proposed amendment provides that applicants currently licensed as trainers or assistant trainers in California who wish to switch the type of license they hold from one type of racing to another must pass the trainer examination with a minimum score of 80 percent.

The Creation or Elimination of Jobs Within the State of California

The amendment to Board Rule 1503 will require applicants for an original license as an assistant trainer to pass a written, oral and practical trainer examination prescribed by the Board and administered by its agents. Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one year and have worked as an assistant trainer under the supervision of a Board-licensed trainer for at least one year. The proposed amendment will impact new applicants for licensure as assistant trainer or trainer¹. The proposed regulation will not affect 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 within the state of California.

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

The amendment of Board Rule 1503 will require applicants for an original license as an assistant trainer to pass a written, oral and practical trainer examination prescribed by the Board and administered by its agents. Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one year and have worked as an assistant trainer under the supervision of a Board-licensed trainer for at least one year. The proposed regulation will impact new applicants for licensure as assistant trainer or trainer. The proposed regulation only affects a limited number of Board licensees, and as such only has an effect on horseracing and does not impact any other type of California businesses. Therefore, the Board has determined this regulatory proposal will not impact 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 amendment of Board Rule 1503 will require applicants for an original license as an assistant trainer to pass a written, oral and practical trainer examination prescribed by the Board and administered by its agents. Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one

¹ The CHRB awarded 18 new licenses for assistant trainer and 31 new licenses for trainer in 2018.

year and have worked as an assistant trainer under the supervision of a Board- licensed trainer for at least one year. The proposed regulation will impact assistant trainer and trainer licensees. The proposed regulation effects only a limited number of Board licensees and as such only has an effect on horseracing and does not impact any other type of California business. 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.

Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

The amendment of Board Rule 1503 will require applicants for an original license as an assistant trainer to pass a written, oral and practical trainer examination prescribed by the Board and administered by its agents. The trainer examination will ensure only applicants knowledgeable in the operation of efficient, cost effective, and successful stables, and the latest training methods and equine medical discoveries will qualify for licensure as assistant trainers or trainers. Upon passing the trainer examination with a score of 80 percent or higher on all three portions, the applicant for an original license as a trainer must hold a Board assistant trainer license in good standing for a minimum of one year and have worked as an assistant trainer under the supervision of a Board- licensed trainer for at least one year. Maintaining an assistant trainer license in good standing for at least one year will certify that the applicant has the practical on-track knowledge to manage a horse racing operation and ensures that qualified candidates are applying for licensure, which ultimately safeguards the health and welfare of race horses and their riders. Accordingly, the proposed regulation benefits the health and welfare of California residents and improves worker safety. The proposed regulation does not benefit the state's environment.

ALTERNATIVE TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON AFFECTED PRIVATE PERSONS OR BUSINESSES

The Board has determined that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION

The proposed amendment to Board Rule 1503 was discussed at the June 2019 regular Board meeting. No alternatives to the recommendation were proposed by the Board or by 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 which offer any alternative proposal.

California Horse Racing Board

January 31, 2020

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 4. OCCUPATIONAL LICENSES
PROPOSED AMENDMENT OF
RULE 1503. QUALIFICATIONS FOR LICENSE AS TRAINER OR ASSISTANT
TRAINER

1503. Qualifications for License as Assistant Trainer ~~and~~ ~~Assistant~~ Trainer.

(a) Except as otherwise provided under this article, an applicant for an original license as ~~trainer or assistant trainer~~ shall, prior to ~~pass a trainers examination before~~ issuance of a license, ~~An applicant shall:~~

~~——~~ (1) ~~P~~pass the written, oral and practical portions of the trainer examination as prescribed by the Board and administered by its agents.

(1**b**) A score of 80% percent for each portion constitutes a passing grade for the trainer examination.

(2**e**) An applicant who fails any ~~the written, practical or oral~~ portion of the trainer examination may not apply for reexamination for at least 90 days from the date of the failed examination. ~~and take the failed portion after a period of at least one month, but not more than six months, from the date of the failed examination.~~

(3) An applicant who fails the trainer examination three (3) times in a calendar year may not apply for reexamination for at least one year from the date of the third failed examination.

(1) ~~An applicant who fails to apply for reexamination under subsection (c) must reapply for license as trainer or assistant trainer, and reexamine under subsections (a) and (b).~~

(4**2**) The trainer examination ~~for license as trainer or assistant trainer~~ shall be scheduled not less than once a month at a time and location designated by the Board.

(b) Except as otherwise provided under this article, an applicant for an original license as trainer shall:

(1) Hold a CHRB assistant trainer license in good standing for a minimum of one year prior to application for license as trainer.

(2) Have worked in this state as an assistant trainer in the employment of a CHRB licensed trainer for at least one year.

(3) Submit a California Horse Racing Board Trainer Recommendation Card, Form CHRB-59C (New 09/19) (CHRB-59C), which is hereby incorporated by reference. The CHRB-59C shall be signed by a steward and a CHRB-licensed trainer who is in good standing, and who has employed the applicant. An applicant who has been employed by more than one CHRB licensed trainer may submit multiple recommendation cards if he or she worked as an assistant trainer in this state for a total of at least one year. The CHRB-59C is available at CHRB licensing offices at live race meetings, and CHRB headquarters offices.

(i) By signing the CHRB-59C, the trainer certifies that the applicant worked for him or her as an assistant trainer, and satisfactorily performed the duties of an assistant trainer while under his or her employ. The trainer shall also include the length of time he or she employed the applicant as an assistant trainer on the recommendation card.

(ii) By signing the CHRB-59C, the steward certifies that the applicant has passed the written, practical, and oral portions of the trainer examination, and has maintained an assistant trainer license for a minimum of one year in good standing.

(c~~d~~) Notwithstanding the above, an applicant who is currently licensed by another racing jurisdiction as a trainer or assistant trainer, and has held the license for a minimum

of one year in good standing, shall make an application for license as trainer or assistant trainer under Rules 1481 and 1483 of this division. The applicant shall appear before the Board of Stewards and they may subject him/her to any portion of the trainer examination described in subsection (a).

~~(1) An applicant who fails either the written, practical or oral to achieve a passing score of 80 percent on the portion(s) of the trainer examination administered under subsection (d) this subsection shall be subject to the provisions of subsections (a)(2) and (a)(3) of this regulation may reapply for reexamination and take the failed portion after a period of at least one month, but not more than six months, from the date of the failed examination.~~

~~(2) An applicant who fails to apply for reexamination under subsection (d)(1) must reapply for license as trainer or assistant trainer, and reexamine under subsections (a) and (b).~~

~~(de) An individual who is currently licensed as a trainer or assistant trainer who wishes to change his or her license from harness to other types of flat racing, or other types of flat racing to harness, is subject to the requirements examination under subsections (a) through (a)(3) of this regulation and (b).~~

~~(1) An applicant who fails either the written, practical, or oral portions of the trainer examination administered under subsection (e) may reapply for reexamination and take the failed portion after a period of at least one month, but not more than six months, from the date of the failed examination.~~

~~(2) An applicant who fails to reapply for reexamination under subsection (e)(1) must reapply for change of license and reexamine under subsections (a) and (b).~~

Authority: Sections 19420, 19440 and 19460,
Business and Professions Code.

Reference: Sections 19420, 19440, and 19460 ~~and 19510~~,
Business and Professions Code.