

NOTE: Government Code section 11340.85 requires the Board to post all notices, initial statement of reasons and texts of rules noticed to the public **until 15 days after the proposed regulations are filed with the Secretary of State by the Office of Administrative Law.**

CALIFORNIA HORSE RACING BOARD
TITLE 4, DIVISION 4, CALIFORNIA CODE OF REGULATIONS

NOTICE OF PROPOSAL TO ADD
RULE 1597.5, MICROCHIPS REQUIRED FOR ALL HORSES ON GROUNDS
RULE 1597.6, TAMPERING WITH MICROCHIPS
AND TO AMEND
RULE 1554, DUTIES OF HORSE IDENTIFIER
RULE 1581.1, ENTRIES
RULE 1588, HORSE INELIGIBLE TO START IN A RACE
RULE 1597, ASSOCIATION TO MAINTAIN RECORDS OF HORSES ON ITS GROUNDS
RULE 1853, EXAMINATION REQUIRED

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

PROPOSED REGULATORY ACTION

The Board proposes to add Rule 1597.5, Microchips Required for All Horses on Grounds, to require that all horses present within the inclosure of a licensed racing association, racing fair, or training facility carry an implanted microchip. Horses entering the inclosure that do not carry a microchip at the time of entry will be required to have a microchip implanted following specific procedures. Horses shipping from another racing jurisdiction to participate in a single stakes race may request a waiver to the microchip requirement. The Board also proposes to add Rule 1597.6, Tampering with Microchips, to prohibit any person from tampering, removing, or replacing any microchip implanted in a horse.

Furthermore, the Board proposes to amend Rule 1554, Duties of Horse Identifier, to require that each horse's microchip be scanned and verified by the Horse Identifier prior to the horse's departure for the post before a race. The Board also proposes to amend Rule 1581.1, Entries, to prohibit a horse's entry into a race if it does not carry a microchip or waiver in accordance with proposed Rule 1597.5. Additionally, the Board proposes to amend Rule 1588, Horse Ineligible to Start in a Race, to establish that a horse that does not carry a microchip or have a waiver is ineligible to start in any race. The Board also proposes to amend Rule 1597, Association to Maintain Records of Horses on Its Grounds, to require that microchip numbers be recorded with the name of each horse that enters and exits a racing inclosure, and that racing secretaries maintain such records in a manner and format that is subject to Board approval. Finally, the Board proposes to amend Rule 1853, Examination Required, to include microchip numbers as an official criteria for identifying a horse to determine its fitness to start.

PUBLIC HEARING

The Board will hold a public hearing starting at **9:30 a.m., Thursday, September 28, 2017**, or as soon after that as business before the Board will permit, in the **Finish Line Room** at the **Los Alamitos Race Course, 4961 E. Katella Avenue, Los Alamitos, 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 at **5:00 p.m. on August 28, 2017**. The Board must receive all comments at that time; however, written comments may still be submitted at the public hearing. Submit comments to:

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AUTHORITY AND REFERENCE

Authority cited: Sections 19420, 19440, 19562, and 19590, Business and Professions Code. Reference: Section 19401(a), 19420, 19440, and 19562, Business and Professions Code.

Business and Professions Code sections 19420, 19440, 19562, and 19590 authorize the Board to adopt the proposed regulations, which would implement, interpret or make specific sections 19401(a), 19420, 19440, and 19562, Business and Professions Code.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Business and Professions Code section 19401(a) explains that it is the intent of the Horse Racing Law to allow pari-mutuel wagering on horse races while assuring protection of the public. Business and Professions Code section 19420 states that the Board has jurisdiction and supervision over meetings in this State 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. Business and Professions Code section 19440 provides that 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. Business and Professions Code section 19562 states the Board may prescribe rules, regulations and conditions under which all horse races with wagering on their results shall be conducted in California. Business and Professions Code section 19590 provides that the Board shall adopt rules governing,

permitting, and regulation pari-mutuel wagering on horse races under the system known as the pari-mutuel method of wagering.

The proposed addition of Rule 1597.5, Microchips Required for All Horses on Grounds, will require that all horses present within the inclosure of a licensed racing association, racing fair, or training facility carry a microchip unless it is exempt under a specific provision of the rule. The proposed rule defines “microchip” as any passive transponder microchip that is International Organization for Standardization (ISO 11784/11785) compliant. The proposed rule further requires that the trainer or owner of a horse insure that the horse is implanted with a microchip within 72 hours of arriving at a licensed racing inclosure unless an extension is granted by the Board of Stewards. Additionally, the proposed rule provides an option for trainers of horses participating in a single stakes race to request a waiver from the microchip requirements by submitting CHRB Form 237, Microchip Waiver Request (new 04/16) to the Board of Stewards. If a waiver is granted, the trainer is required to post CHRB Form 235, Horse Not Microchipped (new 04/16), on the individual stall that the horse is stabled in until the horse is removed from the grounds. In the event a horse does not have a microchip and has not been granted a waiver, the proposed rule states that such horse is ineligible to enter or participate in a race. Finally, the proposed rule explains that when a horse is implanted with a microchip inside of a licensed inclosure, or possesses an unrecorded microchip, the Board of Stewards will assign the microchip number for the horse, the trainer will then have the microchip implanted by a licensed veterinarian, veterinary technician, or other authorized licensee (if not already implanted), and the microchip information shall then be verified by the horse identifier and recorded by the racing secretary.

The proposed addition of Rule 1597.6, Tampering with Microchips, will prohibit any person from tampering with, removing, or replacing an implanted microchip without approval by the Board.

The proposed amendment to Rule 1554, Duties of Horse Identifier, expands the responsibilities of the horse identifier to include scanning horses to verify microchip numbers for horses 1) not previously identified in California; 2) prior to participating in a race; and 3) when the microchips are implanted in a horse within a licensed inclosure. Additionally, the proposed amendment requires that if a horse does not carry a microchip, or the horse identifier cannot verify the microchip number, the horse shall be scratched.

The proposed amendment to Rule 1581.1, Entries, explains that no horse will be entered for a race that does not carry a microchip, or has not received a waiver from the stewards, in compliance with Rule 1597.5.

The proposed amendment to Rule 1588, Horse Ineligible to Start in a Race, establishes that a horse is ineligible to start in a race if such horse does not carry a microchip or has not received a waiver from the stewards in accordance with Rule 1597.5.

The proposed amendment to Rule 1597, Association to Maintain Record of Horses on Its Grounds, makes it a requirement that all racing associations, fairs and training facilities maintain a record of all horses that enter and exit their inclosures by microchip number, in addition to the horse name, owner name, and trainer name. The proposed amendment also requires that records be maintained in a manner and format subject to Board approval, and that such records are available to the Stewards and the Board upon request.

The proposed amendment to Rule 1853, Examination Required, makes it a requirement that the horse identifier also identify horses by microchip number when examining horses scheduled to race.

FORMS INCORPORATED BY REFERENCE

- 1) Form CHRB-235, Horse Not Micro-Chipped (New 04/16)
- 2) Form CHRB-236, Microchip Request (New 04/16)
- 3) Form CHRB-237, Microchip Waiver Request (New 04/16)

The proposed addition of Rule 1597.5 will incorporate by reference CHRB Form 235, Horse Not Micro-Chipped (New 04/16). The proposed rule will require the trainer or owner of a horse not microchipped to post the form on the horse's stall until it is implanted with a microchip under subsection (a), or until it leaves the facility inclosure if granted a waiver pursuant to subsection (c). Because CHRB Form 235 is to be actively used as signage at racing facilities, it would be cumbersome, unduly expensive, and otherwise impractical to publish the form in the California Code of Regulations.

Rule 1597.5(a) will also incorporate by reference CHRB Form 236, Microchip Request (New 04/16). The trainer or owner of a horse that does not have a microchip must submit this form to the Board of Stewards to request that their horse be microchipped when the horse enters the inclosure. Information that must be provided on the form includes the requester's name, identifying information about the horse, date, time, and location of the request, name of the authorized licensee that will implant the microchip, a spot to mark whether or not the microchip was implanted and signature of the Horse Identifier. Because CHRB Form 236 is to be filled out and submitted to the Board of Stewards at a CHRB-licensed facility for each horse not microchipped, it would be cumbersome, unduly expensive, and otherwise impractical to publish the form in the California Code of Regulations.

Finally, Rule 1597.5 will also incorporate by reference CHRB Form 237, Microchip Waiver Request (New 04/16). Pursuant to subsection (c), the trainer or owner of a horse that does not carry a microchip may apply to the Board of Stewards for a waiver from the microchip requirements in this Rule when shipping a horse in from another racing jurisdiction for the purpose of the horse's participation in a single stakes race. To do so, the trainer or owner is required to submit Form 237, which requires the requester's name, identifying information about the horse, originating jurisdiction, date, time of request, and track location, name and date of the stakes race the horse is to participate in, a spot to mark whether or not the waiver is granted, and signature of the CHRB Steward granting the waiver. Because CHRB Form 237 is to be filled out and submitted to the Board of Stewards at a CHRB-licensed facility for each trainer or owner requesting a waiver, it would be cumbersome, unduly expensive, and otherwise impractical to publish the form in the California Code of Regulations.

POLICY STATEMENT OVERVIEW OF ANTICIPATED BENEFITS OF PROPOSAL

The proposed addition of Rule 1597.5, Microchips Required for All Horses on Grounds, and Rule 1597.6, Tampering with Microchips, as well as the proposed amendments to Rule 1597, Association to Maintain Record of Horses on Its Grounds, Rule 1554, Duties of Horse Identifier, Rule 1581.1, Entries, Rule 1588, Horse Ineligible to Start in a Race, and Rule 1853, Examination Required, will jointly

promote the health, safety and welfare of horses that come onto the grounds of a licensed racing or training facility.

By implanting uniquely assigned microchips into every horse that comes onto the grounds of a licensed racing or training facility, the Board, as well as racing associations and fairs, will be able to significantly improve horse inventory reporting and horse identification. Such information will benefit the Board by enabling them to make more informed decisions about how many stalls an association or fair should be required to have for a particular race meet based on historic inventory. This will ensure that the associations are able to meet the stabling demands of a particular race meeting while not overspending to make unused stalls available. These proposed regulations will also benefit Board staff in determining whether or not a particular horse is on the grounds of a licensed racing or training facility, which will aid investigations as well as the Board's out-of-competition testing program. Additionally, the proposed regulations will reduce the likelihood that a horse will be misidentified and allowed to participate unlawfully in a horse race.

The proposed regulations will also benefit racing associations and fairs by enhancing their ability to meet their inventory reporting obligations under CHRB regulations. Also, the proposed regulations will give racing secretaries (who are employees of the associations and fairs) a tool to assist them in determining which races to hold on which days. By knowing exactly which horses are on the grounds, racing secretaries will be able to gauge which types of races will receive adequate entries based on the population of horses meeting the requisite criteria (i.e. race conditions).

Furthermore, the proposed regulations will increase public health and safety by helping prevent the spread of infectious equine diseases. Given the constant movement of horses to different facilities throughout the state, country, and world, these animals can sometimes contribute to the spread of infectious diseases. For example, states like Louisiana and New Mexico have recently experienced a number of Equine Infectious Anemia (EIA) outbreaks in the past several years. When such an outbreak occurs, it becomes necessary to immediately quarantine those horses entering California that were exposed to the disease, which requires rapid identification of the animal. By implementing the proposed regulations, all Board-licensed racing facilities will be able to immediately identify whether a horse that was exposed to the disease is on its grounds, and take steps to quarantine the animal until it is made healthy again.

Finally, the proposed regulations will also benefit the wagering public by ensuring no horses participating in a race are misidentified. When determining which horse to wager on, bettors often consider a horse's past performance in racing and training. If another horse participates in that horse's stead though—whether by accident or on purpose—and the public is not aware, there is a deception on those wagering that may negatively impact their chances of winning. Although Horse Identifiers are entrusted to perform this function using descriptive foal certificates and unique tattoo numbers, the proposed regulations will give these officials yet another tool to verify their identifications. This will therefore further reduce the already low rate of error in horse identification, and instill greater public confidence that the horses participating in a race have all been properly identified.

CONSISTENCY EVALUATION

During the process of developing the regulation and amendments, 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.

DISCLOSURE REGARDING THE PROPOSED ACTION/RESULTS OF THE ECONOMIC IMPACT ANALYSIS

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 Sections 17500 through 17630: none.

Other non-discretionary costs 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 addition of Rule 1597.5, Microchips Required for All Horses on Grounds, and Rule 1597.6, Tampering with Microchips, as well as the proposed amendments to Rule 1597, Association to Maintain Record of Horses on Its Grounds, Rule 1554, Duties of Horse Identifier, Rule 1581.1, Entries, Rule 1588, Horse Ineligible to Start in a Race, and Rule 1853, Examination Required, 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.

Cost impact on representative private persons or businesses: Low. Each licensed racing association, in order to comply with the proposed new and amended regulations, will likely need to purchase necessary hardware and software support services for microchip scanning and processing. The non-recurring hardware costs per facility are estimated at less than \$10,000. The annual recurring cost for reporting/tracking software services for each association is estimated to be \$3,600, should they choose to use such services. Each licensed horse owner will be responsible for the microchip implantation cost. This cost is estimated at less than \$100 per horse.

Significant effect on housing costs: none.

RESULT OF ECONOMIC IMPACT ANALYSIS

The addition of Rules 1597.5 and 1597.6 and the amendments to Rules 1597, 1554, 1581.1, 1588 and 1853 will not (1) create or eliminate jobs within California; (2) create new businesses or eliminate existing businesses within California; or (3) affect the expansion of businesses currently doing business within California. These proposed regulations are a benefit to the health and welfare of California residents because they will improve the Board's ability to enforce and carry out existing laws and

regulations, decrease the likelihood of misidentification of race horses, and enhance the racing industry's ability to stop the spread of infectious diseases.

Effect on small businesses: none. The proposed addition of Rules 1597.5 and 1597.6 and amendments to Rules 1597, 1554, 1581.1, 1588 and 1853 do not affect small businesses because horse racing is not a small business under Government Code Section 11342.610.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code Section 11346.5, subdivision (a)(13), the Board must determine that no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome on 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:

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California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825
Telephone: (916) 263-6025
E-mail: pjlaird@chr.ca.gov

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

Andrea Ogden, Manager
Policy, Regulations and Legislation
Telephone: (916) 263-6033

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 may be obtained by contacting Philip Laird, 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 regulations. Requests for copies of any modified regulation should be sent to the attention of Philip Laird 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 STATEMENT OF REASONS:

Requests for copies of the final statement of reasons, which will be made available after the Board has adopted the proposed regulation in its current or modified form, should be sent to the attention of Philip Laird 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 the notice, the proposed text of the regulation and the initial statement of reasons. The Board's web site address is: www.chrb.ca.gov.

INITIAL STATEMENT OF REASONS

RULE 1597.5 MICROCHIPS REQUIRED FOR ALL HORSES ON GROUNDS.

RULE 1597.6 TAMPERING WITH MICROCHIPS.

RULE 1554. DUTIES OF HORSE IDENTIFIER.

RULE 1581.1 ENTRIES.

RULE 1588. HORSE INELIGIBLE TO START IN A RACE.

RULE 1597. ASSOCIATION TO MAINTAIN RECORDS OF HORSES ON ITS GROUNDS.

RULE 1853. EXAMINATION REQUIRED.

SPECIFIC PURPOSE OF THE REGULATION

The Board proposes to add Rule 1597.5, Microchips Required for All Horses on Grounds, to require that all horses present within the inclosure of a licensed racing association, racing fair, or training facility carry an implanted microchip. Horses entering the inclosure that do not carry a microchip at the time of entry will be required to have a microchip implanted following specific procedures. Horses shipping from another racing jurisdiction to participate in a single stakes race may request a waiver to the microchip requirement. The Board also proposes to add Rule 1597.6, Tampering with Microchips, to prohibit any person from tampering, removing, or replacing any microchip implanted in a horse.

Furthermore, the Board proposes to amend Rule 1554, Duties of Horse Identifier, to require that each horse's microchip be scanned and verified by the Horse Identifier prior to the horse's departure for the post before a race. The Board also proposes to amend Rule 1581.1, Entries, to prohibit a horse's entry into a race if it does not carry a microchip or waiver in accordance with proposed Rule 1597.5. Additionally, the Board proposes to amend Rule 1588, Horse Ineligible to Start in a Race, to establish that a horse that does not carry a microchip or have a waiver is ineligible to start in any race. The Board also proposes to amend Rule 1597, Association to Maintain Records of Horses on Its Grounds, to require that microchip numbers be recorded with the name of each horse that enters and exits a racing inclosure, and that racing secretaries maintain such records in a manner and format that is subject to Board approval. Finally, the Board proposes to amend Rule 1853, Examination Required, to include microchip numbers as an official criteria for identifying a horse to determine its fitness to start.

The purpose of these proposed regulations is to implement the use of microchips in the California horse racing industry in order to achieve greater accuracy in intrastate horse identification and inventory reporting, to better prevent the spread of infectious equine diseases, and to meet the new identification methods and standards being implemented by The Jockey Club (i.e. the national registry organization for thoroughbred race horses).

PROBLEM

The existing standard for identification of race horses in California is based on written descriptions of the horse's distinctive physical markings and unique lip tattoo numbers. These identifying features are recorded on each horse's registration papers (also known as "foal certificates"), which are created by breed-specific national registry organizations. These registration papers follow the horse from racing facility to racing facility and are the primary tool used to accurately identify horses in California.

Accurate identification is a learned skill performed exclusively by official Horse Identifiers at each racing facility. Although this system has worked sufficiently for many years, there has always existed a chance of possible misidentification due to faded tattoos, damaged registration papers, and/or changed physical features in the horse. Misidentification of a horse can deceive the wagering public if they are relying upon the reported racing and training history of a specific horse when handicapping. Misidentification can also negatively impact a horse's trainer and/or owner if they are accused of a medication or other CHRB violation in connection with a horse that has been wrongly identified as one of their own.

Furthermore, current reporting procedures for race horse inventory at race tracks are also paper-based. Although specific processes vary from facility to facility, the general practice is for a racing association employee to fill out a paper "in/out slip" each time a horse enters or leaves a facility. This not only makes it difficult and time consuming to determine if a specific horse is on the facility grounds, but also increases the likelihood that reporting mistakes will occur if the association employee misspells a name or fails to observe a horse entering or leaving the inclosure. Additionally, these paper-based tracking systems are nearly impossible to analyze collectively without physically counting each horse on the grounds, which is both costly and time consuming. Instead, racing facilities often only have a general estimate of how many horses are on their grounds at one time. Also, without more efficient and standardized tracking procedures, it becomes very difficult to locate horses in the event of an emergency, such as an infectious disease outbreak. Without accurate and easily navigable inventory information, a horse that may have been exposed to an infectious disease may be able to enter multiple racing facilities—further infecting additional horses—before it is located, identified, and quarantined.

Finally, and specific to thoroughbred horses, The Jockey Club (i.e. the national thoroughbred race horse registry) has recently implemented a new requirement that all thoroughbreds be implanted with a microchip at the time of their initial registration. The Jockey Club intends to use microchips as a new supplementary tool for accurate horse identification, with the potential that it might someday become a replacement for the current paper-based and tattoo systems. Presently, every thoroughbred racing association in California maintains an account with Incompass Solutions, The Jockey Club's Information Technology affiliate. Incompass Solutions contains an electronic database of all registered thoroughbred horses, which will now include unique microchip numbers. In order for California racing associations and Horse Identifiers to leverage this new identification technology,¹ the CHRB's regulatory infrastructure must support the usage of, and reliance on, these unique microchip numbers.

NECESSITY

The proposed regulations are necessary to modify and enhance horse identification processes in California, which will in turn prevent accidental misidentifications, substantially improve horse inventory reporting, and help prevent the spread of infectious equine diseases through accurate movement tracking.

¹ Microchips (which carry unique 15-digit identification numbers) issued by The Jockey Club will automatically be added to the horse's official registry information, much like how lip tattoos are currently used. When scanning these microchips, however, Horse Identifiers and other racing association employees will be able to immediately link to a thoroughbred horse's online Incompass profile, which will include a physical description of the horse. This will allow for more rapid identification of thoroughbreds. Microchip scans will also allow associations to use the actual scan to report any breed of horse's entry into, or exit from, their facilities.

The proposed addition of Rule 1597.5, Microchips Required for All Horses on Grounds, will first require that all horses present within the inclosure of a licensed racing association, racing fair, or training facility carry a microchip unless they are exempt under a specific provision of the rule. This is necessary to ensure that all horses entering a licensed racing inclosure have a microchip or have received the appropriate waiver. This will guarantee that all horses are participating in the microchip identification program, and can thus be tracked and identified by either their microchip number or their approved waiver when on the grounds of a licensed inclosure. The proposed rule also describes that a compliant microchip is “any International Organization for Standardization compliant (ISO 11784/11785) fifteen digit, 134.2-kHz, FDX-B passive transponder microchip.” This is necessary to ensure that all microchips can be scanned and read by the same hardware, and to otherwise align CHRB with federal animal disease traceability standards.

Subsection (a) of the proposed regulation describes the process for when a trainer and/or owner brings an unmicrochipped horse into a licensed inclosure. This includes notifying the stable superintendent of the facility that the horse does not carry a microchip, completing CHRB Form 236, Microchip Request (New 04/16) and submitting it to the Board of Stewards, posting CHRB Form 235, Horse Not Microchipped (New 04/16) signage on the horse’s stall, and having the horse microchipped within 72 hours. These steps are necessary to ensure that a horse not carrying a microchip is identified immediately upon entry of a licensed facility, and that said horse is then implanted with a microchip within 72 hours of its arrival. Specifically, pursuant to the proposed amendment to Rule 1597, Association to Maintain Records of Horses on Its Grounds, all racing facilities are to maintain a current record of horses admitted to their grounds by name and microchip number, and such entries are to be made within 72 hours of each occurrence. Therefore, in order to meet this requirement, a horse must have a microchip (or have previously received a waiver pursuant to Rule 1597.5(c)) within 72 hours of entering the licensed inclosure so that its entry may be properly recorded. Additionally, under Rule 1597.5(a), the stable superintendent—who assigns each horse to a stall—must be informed if a horse does not have a microchip so that the association knows not to attempt to scan for a microchip, and also has the opportunity to flag the horse for follow-up identification and number recording once it is implanted with a microchip. The information required in CHRB Form 236, Microchip Request (New 04/16) is necessary to identify an unmicrochipped horse’s connections (i.e. trainer, owners, etc.), other identifying physical features, name of implanting licensee, and confirmation by the Horse Identifier when the horse is microchipped. It will also be used to track when the 72-hour clock starts for a horse to be microchipped, and will be the official notice to the Board of Stewards that an unmicrochipped horse is on the grounds. Posting CHRB Form 235, Horse Not Microchipped (New 04/16) on the unmicrochipped horse’s stall is also necessary to indicate to any racing official or CHRB employee approaching the stall that the horse does not carry a microchip, and therefore is not able to be scanned, is not eligible to enter a race, and is not to be within the inclosure for more than 72 hours without a microchip.

Subsection (b) of the proposed regulation requires that a horse not microchipped within 72 hours of entering a licensed facility be removed from that facility unless an extension is requested in writing by the horse’s owner or trainer and approved by the Board of Stewards. This is necessary to ensure that a horse not carrying a microchip is not allowed to remain on the grounds of the inclosure for longer than is essential. The 72-hour window provides the trainer or owner a reasonable amount of time to get their horse microchipped so that it may be properly recorded by the racing secretary. This will also prevent

too many unmicrochipped horses from being on the grounds at one time, which could increase the chance of misidentifications and/or the delay quarantines should an infectious disease outbreak occur. The extension provision is also necessary because there may sometimes be extenuating circumstances prohibiting a horse from being microchipped within 72 hours, in which case the Board of Stewards needs the ability to grant an extension.

Subsection (c) of the proposed regulation allows a trainer to apply to the Board of Stewards for a waiver from the microchip requirements when shipping a horse in from another racing jurisdiction for a single stakes race. This is necessary because California holds a variety of stakes races that attract high-profile horses from around the world, and the Board does not want to inhibit their participation by virtue of its microchip requirement. In the event the owners of a horse foreign to California do not want the horse to be microchipped for a single racing event, this exception provides an opportunity for the horse to participate in the stakes race. Subsection (c) also requires that such waiver requests be made 24 hours before the horse is to arrive at the inclosure on CHRB Form 237, Microchip Waiver Request (new 04/16), which identifies the horse's connections, the single stakes race it will participate in, and whether or not approval is granted by the Board of Stewards. This is necessary to both facilitate the waiver process, and to prevent a horse from arriving on the grounds that will not be granted a waiver. Finally, the subsection requires that any horse receiving said waiver shall have the CHRB Form 235, Horse Not Microchipped (new 04/16) posted on its stall until the horse is removed from the grounds, and that the microchip waiver will otherwise expire 72 hours after the running of the specific stakes race. This is necessary to indicate to any racing official or CHRB employee approaching the stall that the horse does not carry a microchip, and therefore is not able to be scanned. Furthermore, the waiver expiration is necessary so that a horse not microchipped does not remain on the grounds after it participates in the single stakes race.

Subsection (d) of the proposed regulation states that a horse not implanted with a microchip and not granted a waiver shall not be eligible to enter or participate in a race. This is necessary to ensure horses not microchipped and not given a waiver do not attempt to enter or participate in a race during the 72-hour grace period established in subsection (a). Without this safeguard, a horse could come onto the grounds 24-hours before a race and participate without carrying an identifying microchip, increasing the possibility of misidentification.

Subsection (e) of the proposed regulation makes it incumbent upon the racing secretary to not accept a horse's entry into a race if he or she is unable to verify that the horse either carries a microchip or has received a waiver under subsection (c). This is necessary because the racing secretary is the person who accepts entries for races, and makes the initial determination as to whether or not a particular horse is eligible to participate. Subsection (e) will therefore make it the racing secretary's responsibility to verify that all horses entered to race either carry a microchip or have been granted a waiver, which can be accomplished based on the information recorded when a horse enters the racing inclosure under Rule 1597.5(a).

Subsection (f) describes the process for implanting a microchip into a horse within a licensed inclosure. Specifically, the subsection requires that the microchip number be assigned by the Board of Stewards; that the microchip be implanted by a Board-licensed veterinarian, veterinarian technician, or other licensee who has been authorized by the official veterinarian, and while under the supervision of the horse identifier and a steward; that the owner is responsible for the cost of the implantation; and that the

horse identifier verify the microchip number assigned to the horse, and the stewards record the number with the racing secretary. This process is necessary because it ensures that horses will be properly identified by the horse identifier at the time the horse is implanted with its unique microchip. Furthermore, by having a steward supervise the implantation, assigning the microchip number, and reporting it to the racing secretary, the CHRB will be able to directly monitor the process and make sure that no horse is improperly microchipped or improperly matched to its corresponding microchip number when recorded by the racing secretary.

Finally, subsection (g) requires that a horse coming into a licensed inclosure that carries a microchip, but has not had its microchip number verified by the horse identifier and recorded with the racing secretary, submit to those same steps outlined in subsection (f)(4). This is necessary because without recording a microchip number with a horse's name, the racing secretary is unable to identify the horse by its unique microchip number when the horse enters or exits the inclosure, defeating the purpose of the microchip requirement. Subsection (g) also states that "No person shall prevent the Board of Stewards, the horse identifier, or the racing secretary from assigning, verifying, or recording a horse's microchip number." This is necessary in order to compel licensees to comply with the microchipping process. If they violate this requirement, a licensee would then be subject to penalty by the Board.

The proposed addition of Rule 1597.6, Tampering with Microchips, will prohibit any person from tampering with, removing, or replacing a microchip implanted in a horse without approval from the Board. This is necessary because if the Board discovers a licensee attempting to tamper with a microchip—for nefarious purposes or otherwise—they will be subject to penalty by the Board. Without this provision, a licensee could potentially cause a horse to be misidentified by altering the horse's microchip and there would be no viable recourse for the Board to take.

The proposed amendment to Rule 1554, Duties of Horse Identifier, will reorganize the regulation into subsection (a) through (d) for clarity purposes. The amendment will also create additional duties for horse identifiers, which include: requiring them to scan and verify a horse's microchip number prior to it going to race; reporting to the Stewards any horse that does not carry a microchip (and has not received a waiver) or whose microchip number cannot be verified (in which case the horse would be scratched); verifying microchip numbers assigned to horses under the provisions of proposed Rule 1597.5; and supervising and verifying the microchipping of horses within the inclosure. This is necessary because horse identifiers are the only racing officials whose responsibilities are to accurately identify horses within the inclosure, and therefore their participation in the microchipping verification process is crucial to ensuring that the right horses are implanted with their assigned microchips. These provisions are also necessary to prevent a horse that cannot be identified, by microchip number or otherwise, from participating in a race.

The proposed amendment to Rule 1581.1, Entries, will add subsection (d), which will prohibit a horse from being entered in a race if it does not carry a microchip or has not received a waiver from the stewards in compliance with Rule 1597.5. This is necessary for clarity purposes, and to apply the general prohibition against attempts at entering a horse that is not qualified for a race, to those licensees who may attempt to enter a horse that does not carry a microchip or receive a waiver in compliance with Rule 1597.5.

The proposed amendment to Rule 1588, Horse Ineligible to Start in a Race, will add subsection (l), which states that a horse is ineligible to start in any race “when such horse does not carry a microchip or has not received a waiver from the stewards in accordance with Rule 1597.5.” This is necessary to further prevent attempts by licensees to race horses that have not been properly microchipped or given a waiver. If somehow a horse were able to participate in a race without carrying a microchip or receiving a waiver, its ineligibility under this amendment would allow the Board of Stewards to later disqualify the horse under Rule 1592, Ineligible Horse to Be Disqualified.

The proposed amendment to Rule 1597, Association to Maintain Records of Horses on Its Grounds, requires that associations, fairs, and authorized training facilities shall maintain a current record of all horses entering and exiting their grounds, and not just those horses present for racing. This is necessary in order for racing associations and fairs to maintain an accurate count of how many horses total are present within their facilities at any given time, and to know how many stalls are occupied and/or vacant. It is also necessary in order to help prevent the spread of infectious diseases, since all horses—including non-racing horses—can carry such illnesses, and therefore need to be quickly identifiable at licensed racing facilities. The proposed amendment also requires associations, fairs, and authorized training facilities to record horses entering and exiting their grounds by name and microchip number in compliance with Rule 1597.5. This is necessary in order to ensure horses are properly identified at the time of entry and exit from racing facilities using their unique microchip numbers. While horse names can sometime be misheard, misread, or misspelled, the unique microchip number assigned to the horse will always accurately confirm the horse’s identity. Additionally, the proposed amendment requires that the racing secretary maintain these records in a manner and format that is subject to Board approval, and that every entry and exit at a facility is recorded within 72 hours of each occurrence. This is necessary because racing secretaries at different facilities may maintain inventory records in different formats (i.e. spreadsheets, lists, databases, etc.), but the records must always be current and understandable in order for them to be useful for the Board and its staff when making timely decisions about requisite stall space and when preventing the spread of infectious diseases. The change to recording entries and exits within 72 hours instead of 48 hours is also necessary to match the length of time that a horse may be on the grounds without a microchip or waiver under proposed Rule 1597.5. Without this revision, a racing secretary could be in violation of this regulation for not having recorded a horse’s microchip number while the trainer and/or owner of the horse is not required to have a microchip implanted for another 24 hours. Finally, the proposed amendment requires that the racing secretary make inventory records available to the Stewards and the Board upon request. This is necessary because when the Stewards and/or Board needs to quickly determine whether or not a horse is on the grounds of a certain facility (for the sake of preventing disease outbreak or otherwise), they will need immediate access to that facility’s inventory records. Furthermore, in the event a facility is using a software program to track horse inventory—such as the program offered by The Jockey Club/Incompass Solutions—the Stewards and/or Board will need a mechanism to access the records required by the other provisions of this regulation.

The proposed amendment to Rule 1853, Examination Required, would add the requirement in subsection (a) that the horse identifier examine the microchip number, among other identifying features, as part of his or her official pre-race examination. This is necessary for clarity and consistency with other regulations, and to ensure that the horse identifier uses the microchip as another tool for verifying the identification of a horse prior to it racing.

BENEFITS ANTICIPATED FROM THE REGULATORY ACTION

The proposed addition of Rule 1597.5, Microchips Required for All Horses on Grounds, and Rule 1597.6, Tampering with Microchips, as well as the proposed amendments to Rule 1597, Association to Maintain Record of Horses on Its Grounds, Rule 1554, Duties of Horse Identifier, Rule 1581.1, Entries, Rule 1588, Horse Ineligible to Start in a Race, and Rule 1853, Examination Required, will jointly promote the health, safety and welfare of horses that come onto the grounds of a licensed racing or training facility.

By implanting uniquely assigned microchips into every race horse that comes onto the grounds of a licensed racing or training facility, racing associations and fairs will be able to significantly improve horse inventory reporting and horse identification. Such information will benefit the Board by enabling it to make more informed decisions about the number of stalls an association or fair should be required to have for a particular race meet based on historic inventory.² This will ensure that the associations are able to meet the stabling demands of a particular race meeting while not overspending to make unused stalls available. These proposed regulations will also benefit Board staff in determining whether or not a particular horse is on the grounds of a licensed racing or training facility, which will aid investigations as well as the Board's out-of-competition testing program. Additionally, the proposed regulations will reduce the likelihood that a horse will be misidentified and allowed to participate unlawfully in a horse race.

The proposed regulations will also benefit racing associations and fairs by enhancing their ability to meet inventory reporting obligations under CHRB regulations.³ Also, the proposed regulations will give racing secretaries (who are employees of the associations and fairs) a tool to assist in determining which races to hold on which days. By knowing exactly which horses are on the grounds, racing secretaries will be able to gauge which types of races are more likely to receive adequate entries based on the population of horses meeting the requisite criteria (i.e. "race conditions").

Furthermore, the proposed regulations will increase public health and safety by helping prevent the spread of infectious equine diseases. Given the constant movement of horses to different facilities throughout the state, country, and world, these animals can sometimes contribute to the spread of infectious diseases. For example, states like Louisiana and New Mexico have recently experienced a number of Equine Infectious Anemia (EIA) outbreaks in the past several years. When such an outbreak occurs, it becomes necessary to immediately quarantine those horses entering California that were exposed to the disease, which requires rapid identification of the animal. By implementing the proposed regulations, all Board-licensed racing facilities will be able to immediately identify whether a horse that was exposed to the disease is on their grounds, and take steps to quarantine the animal until it is made healthy again.

Finally, the proposed regulations will also benefit the wagering public by ensuring no horses participating in a race are misidentified. When determining which horse to wager on, bettors often

² Pursuant to Business and Professions Code section 19535(a), the Board is required to determine the number of useable stalls that each racing association or fair shall make available and maintain during their racing meeting at the time the board allocates racing weeks.

³ Currently, and also under the proposed amendments, CHRB Rule 1597 requires that racing secretaries maintain a list of all horses admitted to the association or fair grounds.

consider a horse's past performance in racing and training. If another horse participates in that horse's stead though—whether by accident or on purpose—and the public is not aware, there is a deception on those wagering that may negatively impact their chances of winning. Although Horse Identifiers are entrusted to perform this function using descriptive foal certificates and unique tattoo numbers, the proposed regulations will give these officials yet another tool to verify their identifications. This will therefore further reduce the already low rate of error in horse identification, and instill greater confidence in the public that the horses participating in a race have all been properly identified.

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

The Board did not rely on any other technical, theoretical, and/or empirical study, reports or documents in proposing the addition and amendment of regulations.

RESULTS OF ECONOMIC IMPACT ASSESSMENT

The results of the Board's Economic Impact Assessment as required by Government Code 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 in the State of California.
- The proposed regulation will not have an impact on the expansion of existing businesses in the State of California.
- The proposed regulation will benefit California by promoting the safety and welfare of race horses, as well as the wagering public, and will not benefit the State's environment.

The Board has made the initial determination that the proposed addition of Rule 1597.5, Microchips Required for All Horses on Grounds, and Rule 1597.6, Tampering with Microchips, and the proposed amendments to Rule 1597, Association to Maintain Record of Horses on Its Grounds, Rule 1554, Duties of Horse Identifier, Rule 1581.1, Entries, Rule 1588, Horse Ineligible to Start in a Race, and Rule 1853, Examination Required, 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 addition of Rules 1597.5 and 1597.6, and the amendments to Rules 1597, 1554, 1581.1, 1588, and 1853, will result in implementation of a modern horse racing identification system. The system will improve the Board's ability to manage the horse racing industry and provide added protection for the safety and welfare of the race horse. The regulations will not impact businesses in any way.

Purpose:

The Board proposes to add Rule 1597.5, Microchips Required for All Horses on Grounds, to require that all horses present within the inclosure of a licensed racing association, racing fair, or training facility carry an implanted microchip. Horses entering the inclosure that do not carry a microchip at the time of entry will be required to have a microchip implanted following specific procedures. Horses shipping from another racing jurisdiction to participate in a single stakes race may request a waiver to the

microchip requirement. The Board also proposes to add Rule 1597.6, Tampering with Microchips, to prohibit any person from tampering, removing, or replacing any microchip implanted in a horse.

Furthermore, the Board proposes to amend Rule 1554, Duties of Horse Identifier, to require that each horse's microchip be scanned and verified by the Horse Identifier prior to the horse's departure for the post before a race. The Board also proposes to amend Rule 1581.1, Entries, to prohibit a horse's entry into a race if it does not carry a microchip or waiver in accordance with proposed Rule 1597.5. Additionally, the Board proposes to amend Rule 1588, Horse Ineligible to Start in a Race, to establish that a horse that does not carry a microchip or have a waiver is ineligible to start in any race. The Board also proposes to amend Rule 1597, Association to Maintain Records of Horses on Its Grounds, to require that microchip numbers be recorded with the name of each horse that enters and exits a racing inclosure, and that racing secretaries maintain such records in a manner and format that is subject to Board approval. Finally, the Board proposes to amend Rule 1853, Examination Required, to include microchip numbers as an official criteria for identifying a horse to determine its fitness to start.

The purpose of these proposed regulations is to implement the use of microchips in the California horse racing industry in order to achieve greater accuracy in intrastate horse identification and inventory reporting, to better prevent the spread of infectious equine diseases, and to meet the new identification methods and standards being implemented by The Jockey Club. These rule additions and amendments will therefore increase protections for the race horse and help protect the wagering public.

The Creation or Elimination of Jobs Within the State of California

The proposed addition of Rules 1597.5 and 1597.6, and the proposed amendments to Rules 1597, 1554, 1581.1, 1588, and 1853 will require horses in California to carry microchips, and for racing and training facilities to utilize a microchip-based identification, inventory, and movement tracking system. These regulations will therefore impact individual horse owners needing to implant their horses with microchips on a one-time basis. Additionally, racing associations will likely need to revise record-keeping operating procedures to include microchip numbers, but otherwise, all required functions should be absorbable by existing association staff. The Board has therefore determined that the proposed rule additions and amendments will have no direct impact on the creation or elimination of jobs with the State of California.

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

The proposed addition of Rules 1597.5 and 1597.6, and the proposed amendments to Rules 1597, 1554, 1581.1, 1588, and 1853 will require horses in California to carry microchips, and for racing and training facilities to utilize a microchip-based identification, inventory, and movement tracking system. These regulations will therefore impact individual race horse owners needing to implant their horses with microchips on a one-time basis. Additionally, racing associations will likely need to revise record-keeping operating procedures to include microchip numbers, but otherwise, all required functions should be absorbable by existing association staff. The Board has therefore determined that the proposed rule additions and amendments will have no direct 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 addition of Rules 1597.5 and 1597.6, and the proposed amendments to Rules 1597, 1554, 1581.1, 1588, and 1853 will require horses in California to carry microchips, and for racing and training facilities to utilize a microchip-based identification, inventory, and movement tracking system. These regulations will therefore impact individual race horse owners needing to implant their horses with microchips on a one-time basis. Additionally, racing associations will likely need to revise record-keeping operating procedures to include microchip numbers, but otherwise, all required functions should be absorbable by existing association staff. The Board has determined that the proposed rule additions and amendments will have no direct impact on the expansion of businesses currently doing business within the State of California.

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

The proposed addition of Rules 1597.5 and 1597.6, and the proposed amendments to Rules 1597, 1554, 1581.1, 1588, and 1853, will require horses in California to carry microchips and for racing and training facilities to utilize a microchip-based identification, inventory, and movement tracking system. These rules will benefit the safety of the race horse by providing easy, accurate identification throughout the horse's lifetime. This will allow for rapid disease treatment decisions, movement traceability, and positive identification after the horse has been retired from racing. Also, the wagering public will benefit from the assurance that there will be virtually zero racehorse identification errors during both training and racing. These regulations do 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 addition of Rules 1597.5 and 1597.6, and the proposed amendments to Rules 1597, 1554, 1581.1, 1588, and 1853, were discussed at the February 24, 2016 Legislative, Legal and Regulations Committee Meeting, and at the April 21, 2016 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
July 14, 2017

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 5. RACING OFFICIALS
PROPOSED AMENDMENT OF
RULE 1554. DUTIES OF HORSE IDENTIFIER

1554. Duties of Horse Identifier.

The horse identifier shall:

(a) make an inspection of each horse prior to its departure for the post, and scan each horse to verify the horse's microchip number. He or she shall immediately report to the stewards and the paddock judge any horse which is not properly identified, or has any irregularities from the official identification record of the Board, or does not carry a microchip in accordance with Rule 1597.5. If the horse does not carry a microchip or its microchip number cannot be verified, and there is no approved waiver in the racing office, the horse shall be scratched.

(b) ~~The horse identifier shall~~ inspect, identify, and prepare identification records and photographs of all horses within the inclosure not previously identified in California, as well as verify the microchip number assigned to a horse under the provisions of Rule 1597.5.

(c) ~~He shall~~ inspect documents of ownership, eligibility, registration, or breeding, as may be necessary to insure proper identification of each horse eligible to compete at the race meeting.

(d) ~~He shall~~ supervise and verify the accurate tattooing, microchipping or branding for identification of any horse within the inclosure.

NOTE: Authority cited: Section 19440 and 19562, Business and Professions Code. Reference: Sections 19401(a), 19440, and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED AMENDMENT OF
RULE 1581.1. ENTRIES

1581.1. Entries.

No person shall enter or attempt to enter a horse for a race unless such entry is a bonafide entry made with the intention that such horse is to compete in the race for which entry is made.

(a) No horse having been drawn for a post position for any race to be run shall be entered for any subsequent race, other than for a stakes race, until or unless excused by the stewards from the race in which drawn for valid reason or until the race in which it has drawn has been run.

(b) No person shall attempt to enter or enter any horse for a race unless such person is authorized to do so in accordance with the rules.

(c) Every horse drawn in for a post position in a race shall have a jockey or driver named to ride or to drive such horse before the draw is finalized and no jockey or driver shall be named to ride or to drive more than one such drawn horse in each race.

(d) No horse shall be entered for a race that does not carry a microchip, or has not received a waiver from the stewards, in compliance with Rule 1597.5.

NOTE: Authority cited: Section 19440 and 19590, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED AMENDMENT OF
RULE 1588. HORSE INELIGIBLE TO START IN A RACE

1588. Horse Ineligible to Start in a Race.

In addition to any other valid ground or reason, a horse is ineligible to start in any race:

(a) if such horse is not registered by the Jockey Club if a thoroughbred, the United States Trotting Association if a standardbred, the American Quarter Horse Association if a quarter horse, the Appaloosa Horse Club if an appaloosa horse, the Arabian Horse Registry of America if an Arabian horse, or the American Paint Horse Association if a paint horse;

(b) if the parentage verification to both the sire and the dam of all horses foaled in 1992 and thereafter has not been certified by the Jockey Club if a thoroughbred, the United States Trotting Association if a standardbred, the American Quarter Horse Association if a quarter horse, the Appaloosa Horse Club if an appaloosa horse, the Arabian Horse Registry of America if an Arabian horse, or the American Paint Horse Association if a paint horse;

(c) if, unless the stewards permit otherwise, the certificate of foal registration, eligibility papers, or other registration issued by the official registry for such horse is not on file with the racing secretary at the time of entry;

(d) if such horse has been entered or raced at any recognized race meeting under any name or designation other than the name or designation duly assigned by and registered with the official registry;

(e) if the certificate of foal registration, eligibility papers or other registration issued by the official registry has been altered, erased, or forged;

(f) if the identification markings of the horse do not agree with the identification markings as set forth in the registration of such horse;

(g) unless he is eligible to enter said race and is duly entered for such race;

(h) when such horse is owned in whole or in part by an unlicensed person or is in the care of an unlicensed trainer;

(i) when such horse is on the Steward's List, the Starter's List or the Veterinarian's List;

(j) when, except with prior approval of the stewards for good cause, such horse is on the Veterinarian's List in another racing jurisdiction. Good cause includes:

(1) unforeseen administrative issues in removing the horse from the Veterinarian's List of another racing jurisdiction;

(2) the location of the horse prevents it from being evaluated by the official veterinarian of another racing jurisdiction and cleared from that jurisdiction's Veterinarian's List, and the horse is approved to race by a California official veterinarian; or

(3) any other unforeseen event or reason that would prevent a horse that would otherwise not be on a Veterinarian's List from being cleared from the Veterinarian's List of another racing jurisdiction.

(k) when, except with prior approval of the stewards, such horse has not been on the grounds of the association or its approved auxiliary stable area for at least 24 hours prior to the time the race is to be run.

(l) when such horse does not carry a microchip or has not received a waiver from the stewards in accordance with Rule 1597.5.

NOTE: Authority cited: Section 19440 and 19562, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED AMENDMENT OF
RULE 1597. ASSOCIATION TO MAINTAIN RECORDS
OF HORSES ON ITS GROUNDS

1597. Association to Maintain Records of Horses on Its Grounds.

The association, fair, or authorized training facility shall maintain a ~~list or~~ current record of all horses ~~admitted to entering and exiting~~ its grounds ~~for racing~~ by name and by microchip number in compliance with Rule 1597.5, and such ~~list or~~ record shall also contain the name of the owner or owners of such horses, and the name of the trainers having care of such horses. The racing secretary shall record the entry to and exit from the inclosure of every horse within 72 hours of each occurrence, and shall maintain these records in a manner and format that is subject to Board approval. The racing secretary shall make all such records available to the Stewards and the Board upon request. Such list or record shall be available for inspection by the stewards or the Board. Additions and deletions of horses entering or leaving the grounds shall be made to such list or records within 48 hours of the entering or leaving of a horse.

NOTE: Authority cited: Section 19420, 19440, and 19562, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED ADDITION OF
RULE 1597.5. MICROCHIPS REQUIRED FOR ALL HORSES ON GROUNDS

1597.5. Microchips Required for All Horses on Grounds

All horses present within the inclosure of a licensed racing association, racing fair, or training facility shall carry a microchip unless it is exempt under the provisions of this Rule. For purposes of this Division, a “microchip” is any International Organization for Standardization compliant (ISO 11784/11785) fifteen digit, 134.2-kHz, FDX-B passive transponder microchip.

(a) The trainer and/or owner of a horse that comes into the inclosure of a licensed racing association, racing fair, or training facility without a microchip shall:

(1) Immediately notify the stable superintendant that the horse does not carry a microchip;

(2) Complete CHRB Form 236, Microchip Request (New 04/16), which is hereby incorporated by reference, and submit it to the Board of Stewards;

(3) Post CHRB Form 235, Horse Not Microchipped (New 04/16), which is hereby incorporated by reference, on the individual stall that the horse is stabled in until the horse has successfully been implanted with a microchip;

(4) Have the horse implanted with a microchip within 72 hours of arriving on the racing association, racing fair, or training facility grounds in accordance with subsection (f);

(b) If a horse has not received a microchip after 72 hours from the time it arrives at the inclosure, it shall be removed from the grounds of the racing association, racing fair, or training facility unless a request for an extension is made in writing to the Board of Stewards by the horse’s owner or trainer and the request is granted.

(c) A trainer or owner may apply to the Board of Stewards for a waiver from the microchip requirements in this Rule when shipping a horse in from another racing jurisdiction for the purpose of

the horse's participation in a single stakes race. The request for a waiver shall be made on CHRB Form 237, Microchip Waiver Request (new 04/16), which is hereby incorporated by reference, and shall be submitted to the stewards at least 24 hours before the horse is to arrive on the grounds. If a waiver is granted, the trainer shall post CHRB Form 235, Horse Not Microchipped (new 04/16), on the individual stall that the horse is stabled in until the horse is removed from the grounds of the racing association, racing fair, or training facility. All waivers will expire 72 hours after the running of the race for which the waiver is granted.

(d) A horse that has not been implanted with a microchip, or has not been granted a waiver in accordance with subsection (c), shall not be eligible to enter a race or participate in a race.

(e) The racing secretary shall not accept an entry to any race if it cannot be verified that the horse carries a microchip or has otherwise been granted a waiver in accordance with subsection (c).

(f) Anytime a horse is implanted with an identifying microchip while in the inclosure of a licensed racing association, racing fair, or training facility, the following procedures shall be followed:

(1) The Board of Stewards will assign the microchip number for each horse to be implanted.

(2) The microchip shall be implanted by a Board-licensed veterinarian, registered veterinary technician, or other licensee who has been authorized by the official veterinarian and while under the supervision of the horse identifier and a steward.

(3) The licensed owner of the horse shall be responsible for any veterinary service fees for implantation of the microchip.

(4) The horse identifier, in collaboration with the Board of Stewards, shall verify the individual microchip identification number assigned to the horse. The Board of Stewards will record the individual horse microchip identification number with the racing secretary in a manner and format that is subject to

Board approval. Records of the microchip identification numbers shall be maintained by the racing secretary and in accordance with Rule 1597.

(g) A horse that comes into the inclosure of a licensed racing association, racing fair, or training facility, and carries a microchip but has not had its individual microchip identification number recorded by the racing secretary, shall have its microchip verified and recorded in accordance with subsection (f)(4). No person shall prevent the Board of Stewards, the horse identifier, or the racing secretary from assigning, verifying, or recording a horse's microchip number.

NOTE: Authority cited: Section 19420, 19440, and 19562, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 6. ENTRIES AND DECLARATIONS
PROPOSED AMENDMENT OF
RULE 1597.6. TAMPERING WITH MICROCHIPS

1597.6. Tampering with Microchips

No person shall tamper with, remove, or replace a microchip implanted in a horse without approval from the Board.

NOTE: Authority cited: Section 19420, 19440, and 19562, Business and Professions Code. Reference: Sections 19440 and 19562, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1853. EXAMINATION REQUIRED

1853. Examination Required.

(a) The official veterinarian shall examine each horse that is scheduled to race to determine its fitness to start. The horse identifier shall examine each horse to identify such horse from the Board's identification record and the photographs, record of pedigree, tattoo or brand number, microchip number, and such other points of identification as may be available. The horseshoe inspector shall inspect the horseshoes of each horse. No horse shall be eligible to start in a race, and shall be declared by the stewards, if it is found to be unfit to race, not properly identified, or improperly shod.

(b) A thoroughbred horse that is not shod is eligible to start in a race if the trainer declares at the time of entry that the horse will race unshod.

(1) At the time of entry a trainer shall declare if a thoroughbred horse that raced unshod in its previous start will race shod.

(2) Any declaration made under subsections (b) or (b)(1) above shall be noted in the official program, and shall state if the horse will race without horseshoes in the front or back or all around.

(3) For the purposes of this regulation "unshod" means running without horseshoes in the front or back or all around.

NOTE: Authority cited: Section 19420 and 19440, Business and Professions Code. Reference: Sections 19420 and 19440, Business and Professions Code.

CALIFORNIA HORSE RACING BOARD



HORSE NOT
MICROCHIPPED

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
MICROCHIP REQUEST
CHRB-236 (New 04/16)

MICROCHIP REQUEST

REQUESTER NAME: _____

HORSE NAME: _____ **TATTOO #:** _____

HORSE AGE: _____ **SEX:** _____ **COLOR:** _____

TRAINER: _____

OWNER: _____

DATE: _____ **TIME:** _____

NAME OF IMPLANTING LICENSEE: _____

RACETRACK/TRAINING FACILITY NAME: _____

MICROCHIP IMPLANTED? Yes _____ NO _____

(Horse Identifier Name Printed)

(Horse Identifier Signature)

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
MICROCHIP WAIVER REQUEST
CHRB-237 (New 04/16)

MICROCHIP WAIVER REQUEST

REQUESTER NAME: _____

HORSE NAME: _____ TATTOO #: _____

HORSE AGE: _____ SEX: _____ COLOR: _____

RACING JURISDICTION HORSE IS COMING FROM: _____

STAKES RACE HORSE WILL PARTICIPATE IN: _____

NAME OF RACETRACK: _____ DATE OF RACE: _____

TRAINER: _____

OWNER: _____

DATE OF REQUEST: _____ TIME: _____

WAIVER GRANTED? Yes _____ NO _____

(CHRB Steward Name Printed)

(CHRB Steward Signature)