

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. 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 satisfactorily performed the duties of an assistant trainer while under his or her supervision. 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. 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.

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

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 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 24, 2020