

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

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

PROPOSED REGULATORY ACTION

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

PUBLIC HEARING

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

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

WRITTEN COMMENT PERIOD

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

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AUTHORITY AND REFERENCE

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

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

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

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FORMS INCORPORATED BY REFERENCE

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

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

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

POLICY STATEMENT OVERVIEW OF ANTICIPATED BENEFITS OF PROPOSAL

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

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

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

CONSISTENCY EVALUATION

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

DISCLOSURES REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: none.

Cost or savings to any state agency: none.

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

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

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

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

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

Cost impact on representative private persons or businesses: none

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

Significant effect on housing costs: none

ECONOMIC IMPACT ASSESSMENT

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

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

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

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

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

Significant effect on housing costs: none.

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

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

CONSIDERATION OF ALTERNATIVES

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

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

CONTACT PERSON

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

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

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

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

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

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

AVAILABILITY OF MODIFIED TEXT

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

AVAILABILITY OF FINAL STATEMENT OF REASONS

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

BOARD WEB ACCESS

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