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**UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
OFFICE OF ADMINISTRATIVE LAW JUDGES**

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In the Matter of	)	
	)	
Derrick Parram,	)	Docket No. 9424
	)	
Appellant.	)	
	)	

**ORDER FOR SUPPLEMENTAL FILING**

On December 21, 2023, Appellant Derrick Parram (“Appellant” or “Parram”), pursuant to 15 U.S.C. § 3051 *et seq.*, 5 U.S.C. § 556 *et seq.*, and 16 C.F.R. § 1.145 *et seq.*, filed a Notice of Appeal and Application for Review (“Application for Review”).

Appellant appeals the decision of the Horseracing Integrity and Safety Authority (the “Authority”) issued on December 14, 2023 (the “Decision”). The Decision affirmed the determinations of the Laurel Park stewards (the “Stewards”) that (1) the thoroughbred horse named “Girls Love Me” had tested positive for a prohibited substance after a December 9, 2022 claiming race<sup>1</sup> at Laurel Park, Maryland, and (2) the claim to the horse made after the race by Louis J. Ulman and Walter Vieser II must be voided and Appellant must refund all monies pertaining to the claim, pursuant to the Horseracing Integrity and Safety Act of 2020 (“HISA”), 15 U.S.C. §§ 3051-3060, Racetrack Safety Rule 2262 (the “Sanction”).

In challenging the Decision, Appellant contends that: the Sanction imposed was arbitrary, capricious, an abuse of discretion, prejudicial, or otherwise not in accordance with law; and the substance for which Girls Love Me tested positive after the claiming race was not, at the time of the test, a prohibited substance under rules promulgated under HISA. Appellant further contends that the Authority inappropriately “split” the hearing into (1) a hearing into whether the horse had tested positive for a prohibited substance; and (2) a subsequent hearing on whether the claim must be voided and the claim amount refunded. Appellant requests *de novo* review of the Decision under 15 U.S.C. § 3058(b)(1)-(3) and 16 C.F.R. § 1.146(b), and, pursuant to 16 C.F.R. § 1.146(a)(1), requests an evidentiary hearing before an Administrative Law Judge (“ALJ”) of the Federal Trade Commission to “contest the facts, and to contest the interpretation of law that formed the basis for the imposition of the Sanction.” Appellant further requests an evidentiary

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<sup>1</sup> A claiming race “means a Covered Horserace in which a Covered Horse after leaving the starting gate may be claimed in accordance with the rules and regulations of the applicable State Racing Commission.” HISA Definition Rule 1020 (“Definitions”).

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hearing to “present evidence that the Appellant was prejudiced” by the delay between the hearing regarding the prohibited substance and the hearing regarding voiding the claim.

The Authority filed a response to the Application for Review on January 3, 2024, requesting that the ALJ uphold the Decision and deny Appellant’s request for an evidentiary hearing as unnecessary. The Authority argues that, pursuant to 16 C.F.R. § 1.146(c)(2), the appeal should be limited to briefing or oral argument by the parties. The Authority asserts that Appellant stipulated to all the facts surrounding the underlying void claim ruling issued by the Stewards, and that Appellant has not identified any new evidence that would be necessary to supplement or supplant the underlying record. The Authority further asserts that Appellant raises only legal arguments, which do not warrant an evidentiary hearing. *See* 16 C.F.R. § 1.146(a)(1) (providing that the Authority may file a response to the application for review stating the reasons that “an evidentiary hearing conducted by the Administrative Law Judge is either unnecessary, or necessary to supplement or to contest facts in the record found by the Authority”).

Rule 1.146(c)(2) of the Procedures for Review of Final Civil Sanctions Imposed under the Horseracing Integrity and Safety Act (“Rules”) provides with regard to the factual record for appeal that “the Administrative Law Judge may rely *in full or in part* on the factual record developed before the Authority” and that “[t]he record may be supplemented by an evidentiary hearing conducted by the Administrative Law Judge to ensure each party receives a fair and impartial hearing.” 16 C.F.R. § 1.146(c)(2) (emphasis added). Rule 1.146(c)(2) further requires the ALJ to assess, based on the notice of appeal and the response thereto, whether there are contested facts and whether supplementation of the record below is necessary. 16 C.F.R. § 1.146(c)(2)(i)-(iii), (v).

Based on the filings of the parties, and in order to facilitate the assessment required under Rule 1.146(c)(2), it is hereby ORDERED that, no later than 3:00 p.m. on January 23, 2024, Appellant shall submit a statement of the facts Appellant seeks to contest and the supplemental evidence that Appellant intends to submit at the requested evidentiary hearing, together with a demonstration as to how such facts and evidence are material to the decision being appealed.

In light of this Order requesting additional information, and to ensure there is time to consider any information submitted by Appellant, the deadline to make the determinations required pursuant to Rule 1.146(c)(2) is hereby extended to five business days from the filing of the statement directed by this Order.

ORDERED:



D. Michael Chappell  
Chief Administrative Law Judge

Date: January 9, 2024