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Via Electronic Submission to:
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and to:
legal@hiwu.org

Re: *Amended* Petition for Review and Combined Motion for Stay
HISA Case #1501001087

Appellant: Eusabio Juarez-Ruffino

Appellee: Horseracing Integrity and Safety Unit

FTC Appeal Department:

Attached for initial filing is Appellant's "Amended Petition for Appellate Review and Combined Motion for Stay."

s/s John Mac Hayes

BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of:	)	
	)	
Horseracing Integrity and	)	
Safety Unit	)	
	)	Case No. 1501001087
vs.	)	
	)	
Eusabio Juarez-Ruffino	)	

AMENDED PETITION FOR APPELLATE REVIEW and COMBINED MOTION TO STAY SUSPENSION ORDER

This Petition is filed pursuant to 15 U.S.C. § 3053(e) by Eusabio Juarez-Ruffino, a Covered Person under the Horse Racing Integrity and Safety Act, who has been aggrieved by a final arbitration decision issued October 6, 2025 and attached to this Petition.

***Evidentiary hearing is requested to present evidence excluded below over valid objection.**

Sanction Imposed: 24 month suspension; \$10,000 fine; ordered to pay \$8000 toward litigation costs.

1. Decision at Issue

Arbitrator David M. Benck’s decision issued 10-6-25 in JAMS Case No. 1501001087. This constitutes the final decision of the Authority.

2. Grounds for Review

- The decision is contrary to law and due process
- The Arbitrator excluded relevant defense evidence including witness testimony and relevant documents
- The sanction is excessive and is not reasonably supported by substantial evidence
- The witness exclusion violates specific ADMC rules which guarantee Covered Persons a fair hearing.

I. Jurisdiction and Basis for Review

Trainer seeks Commission review of a final arbitral decision which excluded a necessary defense witness despite Trainer's prior timely identification of that witness. The ruling violated:

- The Due Process Clause of the Fourteenth Amendment *Barry v. Barchi*, 443 U.S. 55 (1979);
- HISA Rule 3220(a) ("Arbitration proceedings shall be conducted in a manner consistent with the principles of fairness, impartiality, and due process"); and
- HIWU Arbitration Procedure § 10(d) (requiring each party be given a fair opportunity to present witnesses and evidence).

- Double jeopardy in that Trainer was subjected to two separate disciplinary proceedings involving identical facts and evidence; and is now being independently sanctioned by two HISA related entities, in an excessively disproportionate manner, for each “separate violation.”

II. Factual Background

1. HIWU charged Trainer with “possession of contraband.” The Order appealed adequately recites the operative background facts. The prior unrelated disciplinary proceeding before HISA involved *only possession of the two syringes*. The instant proceeding before HIWU involves only possession of the substance inside the syringes;
2. Months before the arbitration hearing, Trainer disclosed “Witness A” as a person with firsthand knowledge concerning how the contraband came to be located in the center console of Trainer’s vehicle;
3. After issuance of a later Scheduling Order, the Arbitrator ruled Witness A should be and was excluded from Trainer’s available evidence. Trainer was denied the opportunity to call his witness because Witness A’s name was not re-listed in scheduling order — even though the record showed prior written disclosure of the witness under HIWU Rules 3245 and 3248. Shortly after notice of a rule

violation, ADMC rules obligated a Covered Person to provide HIWU a written explanation as to how or why the alleged violation occurred. Trainer fully complied. Pursuant to that rule-based obligation -- occurring long before the scheduling order -- Trainer provided the name of Witness A, his business address and telephone number, a written statement of his testimony, sworn the same on an identical Affidavit. Further, Trainer provided HIWU explicit directions on how to access Witness A's prior testimony in a prior legal proceeding involving these identical facts. In other words, HIWU was aware of or had full and complete opportunity to be aware of Witness A's testimony *months before any scheduling order was even issued*. HIWU suffered no prejudice whatsoever.

4. Arbitrator ruled against and imposed sanctions suspending Trainer's eligibility to participate in covered races for 24 months to include a \$25,000 fine.

III. Legal Argument

A. Trainer Enjoys a Protected Property Interest in the License

Under *Barry v. Barchi*, a licensed trainer has a property interest in the license and in the ability to pursue his profession. Any government

deprivation triggers procedural due-process safeguards. Because the Authorities proceedings can (and have) resulted in suspension and reputational harm, the Authority must afford “a fair hearing and an opportunity to be heard.” See ADMC Rule 3220(a); ADMC Rule 3219(e).

B. Exclusion of the Witness Violated ADMC, HIWU Rules, and Basic Fundamental Due Process

1. Right to Present Evidence

HIWU Arbitration Procedure § 10(d) provides that “[e]ach Party shall have a reasonable opportunity to present evidence, call witnesses, and cross-examine witnesses.” By excluding a timely-disclosed witness, Arbitrator deprived Trainer of this right.

2. Prior Disclosure Satisfied Procedural Requirements

HIWU Procedure § 8(b) requires witness lists be exchanged “within the time limits set by the Arbitrator or otherwise agreed by the Parties.” Trainer satisfied or otherwise substantially complied with that recognized obligation months before the hearing. Applicable rules specifically require such identification *long before any scheduling order deadline*. Nothing in the rule requires re-listing the same witness after disclosure.

3. **No Prejudice to HIWU**

HIWU had full knowledge of Witness A and his proposed testimony, a contemporaneously sworn affidavit, and transcripts of two prior evidentiary hearings before the Oaklawn Stewards *involving the very same issue*. Witness A testified! The exclusion therefore advanced no fairness interest whatsoever. Instead, the exclusion constituted arbitrary enforcement of a procedural technicality -- contrary to HISA Rule 3220(b), which mandates Arbitrators ensure proceedings “are not conducted in a manner that deprives any party of a fair opportunity to be heard.”

4. **Arbitrary and Capricious Action**

Administrative decisions are invalid where they rely on “mechanical” application of procedure that defeats substantive rights. See *Goldberg v. Kelly*, 397 U.S. 254 (1970). That is exactly what happened here, the exclusion silenced the primary mitigation evidence directly bearing on the possession allegation. Form was improperly placed over substance.

C. **Prejudice and Material Harm**

The excluded testimony would have provided corroboration of the Trainer's defenses. It would have provided a reasonable explanation for why the substance inside the two syringes was located in trainer's vehicle. Because the Arbitrator found liability without considering this testimony, the decision lacks substantial evidence and fails to satisfy HISA Rule 3220(d)'s requirement that sanctions rest on a "complete and fair evidentiary record." A due process violation arises from the denial of due process rights guaranteed by Barchi and Goldberg.

IV. Motion for Stay

Stay of a suspension is warranted if good cause is shown [ADMC Rule 8350(c)]. Enforcement should be stayed until appeal rights can be *meaningfully exercised*. Equity warrants and good cause supports granting. Immediate enforcement would deprive Trainer his livelihood and professional reputation before the appeal ever gets decided. Good cause exists very simply because the suspension order rests on proceedings that violated due process. Stay is appropriate where: (1) moving party demonstrates a substantial likelihood of success on appeal; (2) irreparable harm will occur absent a stay; (3) the stay will not substantially injure other parties; and (4) public interest favors maintaining the status quo. *See Barchi*

and Mathews v. Eldridge, 424 U.S. 319 (1976). In the context of occupational licensing, due process requires an opportunity for meaningful review before a professional is deprived of his ability to earn a living. *Barchi*, at 64–65.

Immediate suspension will cause irreparable harm. If the suspension takes effect now, Trainer will lose eligibility to enter and train horses; he will unavoidably suffer reputational damage that cannot be undone even if the appeal succeeds; and he will be deprived of income and racing opportunities critical to livelihood. Appellate review would occur only after the suspension's economic and reputational effects have already been sustained. The absence of a stay would effectively destroy appeal rights in direct contravention of *Barchi*, which specifically condemned procedures allowing a trainer's suspension to take effect before an opportunity for prompt and fair post-deprivation review. *Id.* at 66–67. The same concern applies here. Enforcing a suspension born of a procedurally defective hearing merely compounds the deprivation, rather than curing it.

The balance of equities weighs in favor. Granting will not prejudice the Authority or undermine the Sport's integrity. The alleged violation has already been fully investigated. Horses under Trainer's care will remain

under routine supervision. Public interest favors ensuring disciplinary actions are administered in a manner consistent with constitutional and statutory fairness. HIWU's credibility and the integrity of the regulatory process are enhanced -- not diminished -- when enforcement is paused long enough to ensure due process has been fully honored.

V. Relief Requested

1. Vacate the arbitration decision for violation of due-process guarantees;
2. Remand for a new hearing before a different Arbitrator, with instruction to permit the previously excluded witness; or
3. Alternatively, reopen the record to accept the excluded testimony and reconsider the merits, accordingly; and
4. Grant Trainer's request for stay of the 24-month suspension.

V. Conclusion

Exclusion of a properly disclosed witness in a proceeding affecting a licensed trainer's livelihood violates both constitutional due process and HISA's own fairness mandates (Rules 3220 & 3224). Trainer therefore

requests reversal or remand to ensure compliance with *Barry v. Barchi* and the statutory promise of fair and impartial adjudication.

/s/ John Mac Hayes

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CERTIFICATE OF SERVICE

This is to certify that on this 7th day of October 2025, a true and correct copy of the above and foregoing document was e-mailed to the following interested parties:

HIWU Counsel
Allison Farrell
afarrell@hiwu.org
By email only

/s/ John Mac Hayes