UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Andrew N. Ferguson, Chairman**
Mark R. Meador

ORDER APPROVING THE ENFORCEMENT RULE MODIFICATION PROPOSED BY THE HORSERACING INTEGRITY AND SAFETY AUTHORITY

December 19, 2025

I. Decision of the Commission: HISA's Proposed Modification of the Enforcement Rule is Approved

The Horseracing Integrity and Safety Act of 2020[1] ("the Act") recognizes a self-regulatory nonprofit organization, the Horseracing Integrity and Safety Authority ("HISA" or "the Authority"), which is charged with developing proposed rules on a variety of subjects relating to horseracing.[2] Those proposed rules and subsequent proposed rule modifications take effect only if approved by the Federal Trade Commission ("the Commission").[3]

On March 25, 2022, the Commission approved[4] an Enforcement Rule proposed by the Authority[5] that established, among other things, a list of practices that constitute violations of the Act, a schedule of sanctions for violations of the Authority's rules, and the Authority's disciplinary hearings process by which substantive violations are adjudicated, appealed, and remedied, and (where appropriate) penalties are imposed. The schedule of sanctions and disciplinary procedures did not apply to violations of a subsequent rule addressing anti-doping

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[1] 15 U.S.C. §§ 3051–3060.
[2] *See id*. § 3053(a).
[3] *See id*. § 3053(b)(2).
[4] Fed. Trade Comm'n, Order Approving the Enforcement Rule Proposed by the Horseracing Integrity and Safety Authority (the "Original Enforcement Rule Order") (Mar. 25, 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/P222100HISAOrderRacetrackSafety.pdf.
[5] Fed. Trade Comm'n, *Notice of HISA Enforcement Rule*, 87 Fed. Reg. 4,023 (Jan. 26, 2022), https://www.federalregister.gov/documents/2022/01/26/2022-01663/hisa-enforcement-rule.

and medication control (the "ADMC Rule"), which was approved by the Commission on March 27, 2023,[6] and which has its own list of sanctions and adjudicatory procedures. The Enforcement Rule also addressed the Authority's investigatory powers under the Act. The original Enforcement Rule was subsequently amended following a proposed modification by the Authority,[7] approved by Commission Order on September 23, 2022.[8] The Commission approved a second proposed modification[9] on September 26, 2023.[10]

When the Commission approved the ADMC Rule proposed by the Authority, which was the last of the initial rules required by the Act, the Commission recognized "that there may be some benefit for all of the horseracing rules to be reviewed simultaneously once they have been in effect for enough time to provide all stakeholders with an opportunity to evaluate them."[11] Accordingly, the Commission directed the Authority "to review all of its existing rules (Racetrack Safety, Assessment Methodology, Enforcement, Registration, and ADMC) and submit any proposed rule modifications to the Commission by September 27, 2023."[12] The Commission further ordered the Authority to:

> [D]iscuss each of the suggestions made by commenters that the Authority committed to further consider and the reasons that the Authority did or did not adopt the suggestion within the text of the proposed rule modification…. In this way, by considering updates to all the rules at once, the Authority, the public, and

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[6] *See* Fed. Trade Comm'n, Order Approving the Anti-Doping and Medication Control Rule Proposed by the Horseracing Integrity and Safety Authority (the "ADMC Rule Order") (Mar. 27, 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/P222100CommissionOrderAntiDopingMedication.pdf.
[7] Fed. Trade Comm'n, *Notice of HISA Enforcement Rule Modification*, 87 Fed. Reg. 44,393 (July 26, 2022), https://www.federalregister.gov/documents/2022/07/26/2022-15972/hisa-enforcement-rule-modification.
[8] Fed. Trade Comm'n, Order Approving the Enforcement Rule Modification Proposed by the Horseracing Integrity and Safety Authority (Sept. 23, 2022), https://www.ftc.gov/system/files/ftc_gov/pdf/Order%20re%20HISA%20Enforcement%20Rule%20Modification.pdf
[9] Fed. Trade Comm'n, *Notice of Horseracing Integrity and Safety Authority Enforcement Rule Modification*, 88 Fed. Reg. 48,849 (July 28, 2023), https://www.federalregister.gov/documents/2023/07/28/2023-16000/horseracing-integrity-and-safety-authority-enforcement-rule-modification.
[10] Fed. Trade Comm'n, Order Approving the Enforcement Rule Modification Proposed by the Horseracing Integrity and Safety Authority (Sept. 26, 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/p222100_commission_order_re_enforcement_rule_modification.pdf.
[11] *See* ADMC Rule Order at 6.
[12] *Id*.

> the Commission [would] be able to evaluate how the rules interact in practice and to examine both sides of the "cost" and "benefit" ledger at the same time.[13]

On September 27, 2023, the Authority submitted to the Commission a proposed modification of the Enforcement Rule, by which the Authority aimed to "enhance the Rule 8000 Series Enforcement Rules in a manner that is consistent with 15 U.S.C. § 3057(d)."[14] On August 28, 2023, the Authority had shared a draft of the proposed rule modification with interested stakeholders and published the draft on the HISA website for public comment.[15] The Authority explained that, in some instances, commenters proposed revisions or alternatives that the Authority adopted in the proposed rule modification filed with the Commission.[16]

In its submission, the Authority noted that, during the original Commission review of the Enforcement Rule, the Authority had committed to further consider a number of suggestions for modifications to the rule from public comments filed in response to the Federal Register notice that published the original proposed Enforcement Rule.[17] In accordance with the Commission's ADMC Order, the Authority's submission set forth the relevant comments and stated the reasons why the Authority did or did not adopt the suggestions within the text of the proposed rule modification.[18]

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[13] *Id*. at 7.
[14] *See* Fed. Trade Comm'n, *Notice of Horseracing Integrity and Safety Authority Enforcement Rule Proposed Modification* ("Notice"), 90 Fed. Reg. 43,431, 43,432 (Sept. 9, 2025), https://www.federalregister.gov/documents/2025/09/09/2025-17296/horseracing-integrity-and-safety-authority-enforcement-rule-proposed-modification. The Authority filed a revised submission on July 7, 2025, to reflect updated proposed modifications to the rules since September 27, 2023. It was this revised submission that the Commission published in the Federal Register on September 9, 2025.
[15] *Id*. at 43,432-33. *See also* HISA, Proposed Redline Changes to Rule 8000 Series (Enforcement) (Aug. 28, 2023), *available at* https://hisaus.org/news/proposed-redline-changes-to-rule-8000-series-enforcement. Exhibit A to the Notice includes copies of all comments received concerning the rule modification proposal and is available at https://www.regulations.gov/document/FTC-2025-0495-0002.
[16] Notice, 90 Fed. Reg. at 43,433.
[17] *Id*. at 43,436 (citing HISA's February 21, 2022 Letter to the Commission, *available at* https://www.regulations.gov/document/FTC-2022-0009-0015).
[18] Notice, 90 Fed. Reg. at 43,436-38

As required by the Act,[19] the Commission published the Authority's proposed modification of the Enforcement Rule in the Federal Register on September 9, 2025.[20] Under the Act, "the Commission shall approve a proposed rule or modification if the Commission finds that the proposed rule or modification is consistent with" the Act and applicable rules approved by the Commission.[21] By this Order, for the reasons that follow, the Commission finds that the Authority's proposed modification of the Enforcement Rule is consistent with the Act and the Commission's rules and therefore approves the proposed rule modification, which will take effect on January 19, 2026.

II. Discussion of Public Comments and the Commission's Findings

The Act directs the Authority to establish "(A) rules for safety, performance, and anti-doping and medication control results management; and (B) the disciplinary process for safety, performance, and anti-doping and medication control rule violations."[22] The Act further directs the Authority to establish uniform rules "imposing civil sanctions against covered persons or covered horses for safety, performance, and anti-doping and medication control rule violations."[23] Finally, the Act directs the Authority to "develop uniform procedures and rules authorizing—(i) access to offices, racetrack facilities, other places of business, books, records, and personal property of covered persons that are used in the care, treatment, training, and racing of covered horses; (ii) issuance and enforcement of subpoenas and subpoenas duces tecum; and

[19] 15 U.S.C. § 3053(b)(1).
[20] *See* Notice, 90 Fed. Reg. at 43,431.
[21] 15 U.S.C. § 3053(c)(2).
[22] *Id*. § 3057(c)(1).
[23] *Id*. § 3057(d)(1). *See also id*. § 3053(a)(8)-(10) (directing the Authority to submit to the Commission proposed rules or rule modifications relating to "(8) a description of safety, performance, and anti-doping and medication control rule violations applicable to covered horses and covered persons; (9) a schedule of civil sanctions for violations; [and] (10) a process or procedures for disciplinary hearings").

(iii) other investigatory powers of the nature and scope exercised by State racing commissions before the program effective date."[24]

The Notice describes and explains the Authority's proposed modification to the Enforcement Rule, which includes the following changes: (1) clarifying that it is a violation of Rule 8100 to enter a Covered Horse or cause a Covered Horse to compete in a Covered Horserace prior to registering the Covered Horse with the Authority, pursuant to the Registration Rule, and it is also a violation to cause a Covered Horse to compete in a Covered Horserace with the knowledge that the Covered Horse is ineligible to compete pursuant to the rules of the Authority; (2) amending Rule 8200 to clarify the penalties that apply to various violations of the Rule 2000 Series, to direct the purse be redistributed after a Covered Horse is disqualified from a Covered Horserace, and to authorize an automatic suspension for failure to pay a fine or to repay a purse; (3) modifying the Rule 8300 Series to state with precision the rule violations that are subject to adjudication under the Rule 8000 series, and the procedures under which the adjudications shall be conducted (including modifying the procedural rules for appeals in the Rule 8300 Series to provide consistency with modifications of the Rule 2000 Series that went into effect on July 8, 2024[25]); and (4) amending Rule 8400 to require the Authority to request and obtain Commission approval before issuing a subpoena under 15 U.S.C. § 3054(j) and to include standards to guide the Authority in the issuance of subpoenas.[26] The Authority also proposed adding a new Rule 8410 to "allow[] the Authority to review and act upon information or evidence submitted to the Authority from any source concerning possible rule violations," and

[24] *Id*. § 3054(c)(1)(A).
[25] *See* Fed. Trade Comm'n, Order Approving the Racetrack Safety Rule Modification Proposed by the Horseracing Integrity and Safety Authority ("Racetrack Safety Rule Order") (June 7, 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/P222100CommOrderHISARacetrackSafetyRule20240607.pdf.
[26] *See* Notice, 90 Fed. Reg. at 43,432.

a new Rule 8420 to "require the Authority to seek and obtain the approval of the Commission before initiating civil actions under 15 U.S.C. 3054(j)."[27] Finally, the Authority proposed clarifying the language of several provisions for greater precision.

As noted above, the Commission must approve a proposed rule modification if the Commission finds that the proposed rule modification is consistent with the Act and the Commission's rules.[28] As a threshold matter, the Commission finds that the Authority's proposed modification of the Enforcement Rule is consistent with the Commission's rules.[29] This finding formally confirms the previous determination made by the Office of the Secretary that the Authority's submission of its proposal was consistent with the Commission's rules governing such submissions.[30]

The remainder of this Order discusses whether the proposed modification to the Enforcement Rule is "consistent with" the Act. In deciding whether to approve or disapprove the Authority's proposed rule modification, the Commission has reviewed the Act's text, the Notice containing the proposed rule modification's text and the Authority's explanation, the Authority's supporting documentation,[31] public comments,[32] and the Authority's response to those

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[27] *Id*.
[28] 15 U.S.C. § 3053(c)(2).
[29] *See* 16 C.F.R. §§ 1.140–1.144.
[30] *See* Notice, 90 Fed. Reg. at 43,432 & n. 5. The Secretary's determination that a submission complies with the Commission's rules is required before its publication. *See* 16 C.F.R. § 1.143(e) ("The Secretary of the Commission may reject a document for filing that fails to comply with the Commission's rules.").
[31] These materials, which were posted on regulations.gov on September 9, 2025, include informal comments that the Authority solicited from stakeholders before submitting a proposed rule to the Commission, and they are available at https://www.regulations.gov/docket/FTC-2025-0495/document. The Authority also incorporated by reference the supporting materials it provided with its original Enforcement Rule proposal and with the Authority's proposed modification to the Enforcement Rule that was published in the Federal Register in July 2022. *See* Notice, 90 Fed. Reg. at 43,433 & nn. 13, 14.
[32] Public comments in response to the Notice, which were accepted until September 23, 2025, are available at https://www.regulations.gov/docket/FTC-2025-0495/comments.

comments.[33] Five public comments were filed in response to the Notice.[34] The Commission stated in the Notice that it would focus on those comments that discuss the statutory decisional criteria: whether the proposed rule or modification was consistent with "the specific requirements, factors, standards, or considerations in the text of the Act as well as the Commission's rules."[35] In the discussion that follows, the Commission takes into consideration only the comments that address these decisional criteria. Two comments did not address the decisional criteria and will therefore not be addressed in this Order.[36] Two other comments did not address any specific rule changes proposed by the Authority, but generally advocated for rule modifications to enhance the safety of horse racing[37] and supported approval of the proposed rule modification,[38] respectively. Because those comments do not address the statutory criteria that the Commission must use to determine whether to approve or to disapprove the proposed rule modification, they have little bearing on the Commission's determination. Only one comment directly addressed whether the provisions of the Enforcement Rule, including the

[33] The Authority's response, dated September 29, 2025 (the "Authority's Response"), which addressed comments filed in response to the Notice, is available on regulations.gov as a related document on Docket FTC-2025-0495. *See* https://www.regulations.gov/document/FTC-2025-0495-0009.
[34] Two other comments that were not related to this proposal were not posted on the docket at regulations.gov.
[35] Notice, 90 Fed. Reg. at 43,438. As the Commission has previously noted, other comments may still be "helpful or productive in the broader effort to improve the safety and integrity of horseracing. In many instances, comments advance specific suggestions for improving the Authority's rules, and the Commission expects that, in appropriate cases, the Authority will consider those comments in proposing rule modifications in the future, and the Commission will also consider them in deciding whether to exercise its discretionary authority to modify the Authority's rules." ADMC Rule Order, supra n. 6, at 5 n. 12. The Notice gave guidance to would-be public commenters whose comments would not address the statutory decisional criteria but instead would more generally bear on protecting the "health and safety of horses and jockeys, the integrity of horseraces and wagering on horseraces, and the administration of the Authority itself," by advising on the process for providing comments to the Commission about the use of its rulemaking power under Section 3053(e). Notice, 90 Fed. Reg. at 43,438.
[36] *See* Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0005 (opining that horse racing is "the epitaph [sic] of opportunistic exploitation and animal cruelty" and pleading for efforts to end the sport); Cmt. of Joe Kelly, https://www.regulations.gov/comment/FTC-2025-0495-0008 (suggesting that the Authority's proposed rule modification is inconsistent with a deregulatory agenda and should therefore be disapproved).
[37] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0004 (opining, "I do believe there should be modifications set and implemented for the safety of the horses during horse racing games").
[38] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0007 (stating that the "proposed modification should be applied, as needed for adjudication of alleged violations stemming from HISA Rule 2000 and Rule 8000 Series accordingly").

Authority's proposed modifications to the Rule, were consistent with the Act or with best practices.[39] The Commission accordingly discusses that comment below, along with the Authority's response to the comment.

A. Changes to Rule 8100: Violations

The Act directs the Authority to submit to the Commission proposed rules or rule modifications relating to "a description of safety, performance, and anti-doping and medication control rule violations applicable to covered horses and covered persons," and describes a number of elements that may be included in such rules.[40] Rule 8100 contains a list of violations that are subject to disciplinary action under the Rule 8000 Series (the Enforcement Rule). The Notice addresses two proposed additions to this list of violations: first, a new paragraph (k) would be added to establish a new violation for "Entering a Covered Horse or causing a Covered Horse to compete in a Covered Horserace prior to registering the Covered Horse with the Authority in accordance with the Rule 9000 Series," while a new paragraph (*l*) would be added to clarify that it is a violation to cause "a Covered Horse to compete in a Covered Horserace with the knowledge that, at the time of the Covered Horserace, the Covered Horse is ineligible to compete pursuant to the rules of the Authority."[41] Covered Horses may be ineligible to compete if they are, for example, placed on the Veterinarian's List or serving a period of ineligibility for an ADMC Rule violation.

No comments addressed the proposed changes to Rule 8100, although the Authority stated that it included a "knowledge" standard in proposed Rule 8100(*l*) in response to a comment it received in response to its publication of the draft rule proposal.[42] The Authority

[39] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.
[40] 15 U.S.C. §§ 3053(a)(8), 3057(a)(1).
[41] Notice, 90 Fed. Reg. 43,433.
[42] *Id*. at n. 15.

stated that the changes would ensure that horses are subject to veterinary supervisions and other forms of oversight by the Authority, and would bolster the integrity and safety of the sport. New paragraph (k) would allow the Authority to enforce HISA Rule 9000(h), which requires Responsible Persons to register Covered Horses before running them in Covered Horseraces.

The Commission concludes that the proposed changes to Rule 8100 are consistent with the Act. Section 3054(d) of the Act specifically provides that as "a condition of participating in covered races and in the care, ownership, treatment, and training of covered horses, a covered person shall register with the Authority in accordance with rules promulgated by the Authority and approved by the Commission."[43] The Commission has previously held that requiring the registration of Covered Horses, in addition to Covered Persons, is consistent with the Act because it advances the Act's "substantive goals of improving horseracing integrity and safety by facilitating education about and enforcement of the other approved rules."[44] The Commission similarly finds that the new paragraphs proposed to be added to Rule 8100 would improve the integrity and safety of horse racing by providing the Authority with a mechanism to enforce existing safety and registration rules previously approved by the Commission.

B. Changes to Rule 8200: Schedule of Sanctions for Violations

The Act further directs the Authority to submit to the Commission proposed rules or rule modifications relating to a schedule of civil sanctions for violations.[45] Rule 8200 establishes a

[43] 15 U.S.C. § 3054(d).
[44] Fed. Trade Comm'n, Order Approving the Registration Rule Proposed by the Horseracing Integrity and Safety Authority (June 29, 2022), at 5, https://www.ftc.gov/system/files/ftc_gov/pdf/P222100CommissionOrderRegistrationRuleFinal.pdf.
[45] 15 U.S.C. §§ 3053(a)(9), 3057(d)(1).

schedule of sanctions that applies to the Authority's rules as described in Rule 8200(a). Proposed changes to Rule 8200(b)(1) would specify the sanctions that apply to certain rule violations, and would clarify that penalties in Rule 8200(b)(1) are to be imposed in lieu of the penalties listed under Rule 8200(b)(2) through (12). An amendment to Rule 8200(b)(9) would require redistribution of a purse in accordance with the revised order of finish for any disqualified Covered Horse. The Authority explained that this change was proposed to address questions it has received from stewards regarding purse redistribution.[46]

The Authority also proposed to add two new paragraphs to Rule 8200. New paragraph (e) would state that "[f]ailure by a Covered Person to pay any fine by the prescribed deadline that is imposed by the Authority, or by any official or body authorized to adjudicate violations under the Rule 2000 or 8000 Series, shall subject the Covered Person to automatic suspension by the Authority, absent a showing to the Authority by the Covered Person of exceptional circumstances that resulted in the failure to pay the fine." New paragraph (f) would similarly impose an automatic suspension for failure to repay a purse. The Authority explained that these proposed rules are similar to a common practice of various State racing commissions, in which licensure is temporarily suspended as a penalty for overdue fines until the fines are repaid.[47]

One comment addressed the schedule of sanctions included in the rule, opining that the "proposed modification does not clearly define how sanctions will be calibrated in proportion to the severity of violations across the Rule 2000 and Rule 8000 Series," and advocating for more explicit sanction tiers to "enhance predictability and fairness in enforcement."[48] The Authority responded to this comment by noting that the Rule 2000 Series and Rule 8000 Series establish

[46] Notice, 90 Fed. Reg. 43,434.
[47] *Id*.
[48] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.

sanction tiers for many violations, while in other contexts, sanction tiers are not appropriate or are impractical.[49] The Authority explained that, in some contexts, it is not possible to list all circumstances or conduct that could constitute a violation and that, in such cases, it is appropriate to leave some degree of discretion to the adjudicator, while setting forth a range of available penalties. The commenter also opined that the proposed rule modification "omits provisions ensuring that sanctioned parties are provided with full, timely disclosure of investigatory findings prior to adjudication," and suggested that "mandating disclosure requirements would better support informed defense preparation."[50] The Authority responded that, "[a]s required by Rule 8200(d), HISA enforcement attorneys [] provide Notices of Violation and supporting documents to Covered Persons well in advance of hearings," and this "ensure[s] that Covered Persons have access to relevant information and adequate time to prepare for hearings in a timely manner."[51]

The Commission finds that the proposed changes to Rule 8200 are consistent with the Act. As the Commission previously found in the Original Enforcement Rule Order, the provisions of Rule 8200 are "flexible and designed to be tailored to the facts of each possible violation," but this is in keeping with the emphasis in Section 3057 of the Act on equitable principles, using words such as "commensurate" to describe how the level of process should correspond to the seriousness of the violation and sanction at issue.[52] The Authority's proposed changes support the Act's requirement for a "a schedule of civil sanctions for violations" by providing clear directions regarding the sanctions that should apply to specific violations and by

[49] Authority's Response, *supra* n. 33, at 2.
[50] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.
[51] Authority's Response, *supra* n. 33, at 4. The Authority further noted that the "[Internal Adjudication Panel] and the Board routinely order disclosure of witness lists, exhibit lists, and pre-hearing briefs and statements that assist in defense preparation by Covered Persons." *Id*.
[52] Original Enforcement Rule Order, *supra* n. 4, at 15 (citing 15 U.S.C. § 3057(c)(3)).

providing an enforcement mechanism for non-payment of fines or failure to repay a purse. No commenter identified any way in which the proposed rule modifications are inconsistent with the Act.

C. Changes to Rule 8300 Series: Disciplinary Hearings and Accreditation Procedures

The Act directs the Authority to submit to the Commission proposed rules or rule modifications relating to "a process or procedures for disciplinary hearings."[53] The Rule 8300 Series comprises a set of provisions that detail the processes by which substantive rule violations are adjudicated, appealed, and remedied, and (where appropriate) penalties are imposed. These rule provisions address the requirements of 15 U.S.C. § 3057(c)(2)(B)–(F), such as hearing procedures, standards for burdens of proof, presumptions, evidentiary rules, appeals, and confidentiality and public reporting of decisions, as well as the overarching requirement of § 3057(c)(3) that the rules provide for adequate due process. The Authority proposed changes to clarify which procedures apply to the adjudication of specific rule violations. For example, Rule 8310 would be amended to include Rule 2116 (concerning the suspension or revocation of accreditation) within the class of violations to be adjudicated under the Rule 8300 Series, which would bring the Enforcement Rule into harmony with the amendments to Rule 2116 that took effect on July 8, 2024.[54]

In response to a commenter, the Authority proposed a change to Rule 8320 to distinguish violations of the riding crop rules from rules concerning the use of Shock Wave Therapy and all other electrical and mechanical devices, and to specify the appeals process available to adjudications of riding crop rule violations.[55] Rules 8320 and 8330 would be amended to add

[53] 15 U.S.C. §§ 3053(a)(10), 3057(c)(1).
[54] *See* Racetrack Safety Rule Order, supra n. 25, at 11.
[55] Notice, 90 Fed. Reg. 43,434.

Rule 2286 and/or the Rule 8000 Series to the body of procedures applicable to adjudications of Rule 2200 and Rule 8100 violations, and would specify that the Rule 8000 Series' procedures are controlling in the case of any inconsistencies between the rules. The Authority explained that these modifications are proposed to ensure the appropriate procedures are applied to the various types of rule violation cases, and to conform the Enforcement Rule to Rule 2286 in the amended Racetrack Safety Rule.[56]

The Authority proposed a change to Rule 8340 to specify that procedures for initial hearings under the rule apply to procedures under Rule 2116 concerning the suspension or revocation of Racetrack accreditation. Changes to Rule 8350, addressing Appeals to the HISA Board, would create certain exceptions for appeals of violations adjudicated under Rules 2116, 2117, 2285, and 2287, as those rules provide their own appellate (or intermediate appellate) procedures or are otherwise addressed in the Enforcement Rule. These changes would conform the Enforcement Rule to the Racetrack Safety Rule, as amended in 2024.[57] Rule 8360 would be changed to clarify the procedures applicable to the appeal of the suspension or revocation of Racetrack accreditation under Rule 2116.

One comment addressed several aspects of the Rule 8300 Series. First, the commenter advocated for "maximum resolution periods for adjudication of violations," opining that "adding clear deadlines could prevent protracted proceedings that undermine both deterrence and due process."[58] The commenter also claimed that the "proposal does not indicate whether hearings and disciplinary decisions will be subject to independent review outside the Authority." The Authority responded that members of the Internal Adjudication Panel ("IAP") and the Board of

[56] *Id*.
[57] *Id*. at 43,435.
[58] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.

the Authority routinely set deadlines under the Rule 7000 (ADMC) and 8000 Series that are appropriate to the case at issue, and that these deadlines are "balanced to provide adequate time for the parties to submit the required filings while also ensuring that the case proceeds in an expeditious manner."[59] The Authority further noted that the rules "also require the IAP Members and the Board to issue decisions within specified periods after the close of hearings." Regarding review of HISA adjudications, the Authority noted that the rules include "an elaborate and efficient appellate system that ensures fairness and meaningful review of adjudicatory decisions," including the availability of two layers of *de novo* review by the Commission.[60] The Commission confirms that, under the Act, the administrative law judge or the Commission may "affirm, reverse, modify, set aside, or remand for further proceedings, in whole or in part," the final civil sanction of the Authority or the decision of the administrative law judge, respectively.[61]

The commenter further observed that "[r]ules on evidentiary admissibility appear general, leaving uncertainty about the handling of scientific or laboratory data concerning prohibited substances," and opined that "aligning admissibility standards with recognized forensic protocols would bolster evidentiary reliability."[62] The Authority pointed out that the ADMC Rule, which contains its own adjudicatory procedures, "include[s] elaborate provisions concerning scientific or laboratory data and the use of forensic protocols in laboratory testing," while cases adjudicated under the Rule 8000 Series "do not typically involve extensive data and protocols of this kind."[63] The Authority further noted that the Enforcement Rule does include provisions

[59] Authority's Response, *supra* n. 33, at 3.
[60] *Id*. at 3-4.
[61] *See* 15 U.S.C. §§ 3058(b)(3)(A)(ii), 3058(c)(3)(A)(i).
[62] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.
[63] Authority's Response, *supra* n. 33, at 4.

"relating to a number of evidentiary issues, including standards of admissibility, the use of hearsay evidence, the weight and credibility of evidence, irrelevant and repetitive evidence, and applicable rules of privilege… [which] promote evidentiary reliability in a manner that is consistent with evidentiary rules commonly found in the context of administrative law."[64]

The commenter also contended that the Authority's "[e]nforcement procedures do not reference data transparency obligations, such as public reporting of aggregated violations and sanctions," and suggested that "incorporating periodic publication of anonymized enforcement metrics could improve accountability and public trust in the Authority's oversight."[65] The Authority responded that it is committed to transparency and pointed to Rule 8380, which "mandates disclosure of alleged violations at the inception of each case, and disclosure of specified information upon the resolution of the case."[66] The Authority further noted that it publishes an aggregated list of violations and sanctions on its website annually in the form of an annual performance report, which the Commission's rules require the Authority to submit by March 31 each year.[67] The Authority stated that it also publishes its own quarterly and annual metrics reports on its website, which include information related to the Authority's enforcement activities.[68]

The Commission finds that the proposed changes to the Rule 8300 Series are consistent with the Act. The comment offered policy recommendations but did not identify any inconsistency between the proposed rule modifications and the Act, and the Commission is satisfied that the Authority's responses to the comment identify hearing and appellate

[64] *Id*.
[65] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.
[66] Authority's Response, *supra* n. 33, at 4.
[67] *See* 16 C.F.R. § 1.153(b).
[68] Authority's Response, *supra* n. 33, at 5.

procedures, and reporting practices, that assure both adequate due process and transparency in the disciplinary proceedings, consistent with the Act's requirements.

D. Changes to Rule 8400 Series: Investigatory Powers

The Act directs the Authority to "develop uniform procedures and rules authorizing—(i) access to offices, racetrack facilities, other places of business, books, records, and personal property of covered persons that are used in the care, treatment, training, and racing of covered horses; (ii) issuance and enforcement of subpoenas and subpoenas duces tecum; and (iii) other investigatory powers of the nature and scope exercised by State racing commissions before the program effective date."[69] The Rule 8400 Series addresses these investigatory powers by specifying the Authority's right to access the files and facilities of Covered Persons and those who own or perform services on a Covered Horse as well as the right to seize evidence of suspected violations. It requires Covered Persons to respond truthfully and cooperate with the Authority, and forbids hindering an investigation. It also specifies that the Authority may issue subpoenas, which must be complied with, for both things and people, who may be required to testify under oath.

The Authority proposed a number of changes and additions to the Rule 8400 Series with the aim of enhancing the Commission's oversight of, and power to constrain, the Authority in its exercise of its investigatory powers.[70] First, Rule 8400(e) would be modified to require the Authority to request and obtain the approval of the Commission before issuing a subpoena under 15 U.S.C. § 3054(h), and would provide that if the Commission does not act upon such a request within 20 days, it would be deemed approved. In addition, a new paragraph (f) would be added

[69] *Id*. § 3054(c)(1)(A). *See also id*. § 3054(h) (specifying that the "Authority shall have subpoena and investigatory authority with respect to civil violations committed under its jurisdiction").
[70] Notice, 90 Fed. Reg. 43,435-36.

to Rule 8400, establishing a set of standards by which subpoenas are issued. This rule would "guide the Authority's discretion in considering whether to request Commission approval to issue a subpoena,"[71] with the aim of ensuring that subpoenas would be used only when truly necessary. The Authority noted that these standards are patterned after nearly identical provisions in HISA Rule 5730(e) (in the ADMC Rule).

The Authority also proposed adding two new provisions to the Rule 8400 Series. A new Rule 8410 would establish procedures by which the Authority may review matters concerning alleged violations of one or more rules in the Rule 2200 Series or Rule 8100 Series. The provision would authorize the Authority on its own initiative to review evidence or information that is submitted from any source, but would not require the Authority to act on such evidence or information if the Authority deems it lacking in credibility.[72] The Authority explained that this new rule provision would "parallel[] rules pertaining to objections and protests that are common to the regulations of many State racing commissions."[73] A new Rule 8420 would require the Authority to request and obtain the approval of the Commission before initiating any civil action pursuant to Section 3054(j) of the Act,[74] and would provide that if the Commission does not act upon such a request within 20 days, it would be deemed approved. This rule would ensure that the Commission has the ability to review and approve any civil actions contemplated by the Authority before they are filed.

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[71] *Id*. at 43,436.
[72] *Id*.
[73] *Id*.
[74] 15 U.S.C. § 3054(j) (authorizing the Authority to "commence a civil action against a covered person or racetrack that has engaged, is engaged, or is about to engage, in acts or practices constituting a violation of [the Act] or any rule established under [the Act] in the proper district court of the United States, the United States District Court for the District of Columbia, or the United States courts of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, to enforce any civil sanctions imposed under that section, and for all other relief to which the Authority may be entitled").

Finally, the proposed rule modification would delete references to the Commission from several provisions of the current rule that describe the investigatory powers the Authority may exercise under the Act. The Authority noted that the Commission's investigatory powers and enforcement authority derive from other statutes and, therefore, it is not necessary to reference the Commission in the Rule 8400 Series.[75]

One commenter argued that the "scope of investigatory powers is addressed but lacks detail on safeguards against overreach, particularly in relation to warrantless inspections or compelled disclosures; codifying limits and evidentiary standards would strengthen legal robustness."[76] The Authority responded that the current Enforcement Rule and the proposed modification both operate to limit potential overreach in the Authority's use of its investigatory powers. For example, the Authority noted that the current Rule 8400(a)(1) grants the Authority access to various records and locations, but "only if they are used in the care, treatment, training, or racing of Covered Horses."[77] Rule 8400(a)(2) describes with particularity the items that may be seized as evidence of the violation of Authority rules. In the proposed modification, the Authority pointed to the new requirements that the Authority request and obtain approval of the Commission before issuing a subpoena or initiating a civil action. In addition, the proposed Rule 8400(f) establishes considerations that the Authority must take into account before requesting authorization to issue a subpoena.

The Commission finds that the proposed changes to the Rule 8400 Series are consistent with the Act. The investigatory powers addressed by these changes are expressly granted by the Act, and the Authority's proposed modifications would provide additional Commission oversight

[75] Notice, 90 Fed. Reg. at 43,435.
[76] Cmt. of Anonymous, https://www.regulations.gov/comment/FTC-2025-0495-0006.
[77] Authority's Response, *supra* n. 33, at 3.

prior to the Authority's exercise of its power to issue subpoenas (under Section 3054(h)) or initiate civil actions (under Section 3054(j)). The Commission agrees with the Authority that the proposed changes will help safeguard against overreach and ensure that the Authority remains at all times subordinate to the Commission, including in the use of investigatory powers.

E. Clarification of Rule Language and Other Changes

In addition to the modifications described above, the Authority has proposed changes to clarify the rule language for greater precision. Specifically, in several provisions of the Enforcement Rule, the term "National Stewards Panel" would be replaced by the term "Internal Adjudication Panel," as defined in the Rule 1000 Series and as referred to in the Rule 3000 and Rule 7000 Series. The Authority explained that the IAP is "a body of adjudicators (many of whom are current or former stewards) who are assigned to preside over cases involving controlled medication violations."[78] The Authority noted that the term "National Stewards Panel" has sometimes been confused with references in the Authority's rules to "the stewards," who preside over Covered Horseraces taking place at Racetracks. To avoid this potential confusion, the Authority proposed modifying the Enforcement Rule language to remove any reference to the word "stewards." No comments addressed this proposed change, and the Commission finds that it is consistent with the Act and will add to the Rule's clarity and utility.

Conclusion

For the preceding reasons, the Commission finds that the Horseracing Integrity and Safety Authority's proposed modification to its Enforcement Rule is consistent with the

[78] Notice, 90 Fed. Reg. at 43,436.

Horseracing Integrity and Safety Act of 2020 and the Commission's rules. Accordingly, by this Order, the Authority's proposed modification to the Enforcement Rule is APPROVED.

By the Commission.

April J. Tabor
Secretary

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