

OCTOBER 5, 2023

AFTER A YEAR IN THE “SADDLE”

ASSESSING HISA

A Non-Partial Assessment & Analysis

On July 1, 2022, the Horseracing Integrity and Safety Authority assumed responsibility for all equine and racetrack safety in US thoroughbred racing. Ultimate responsibility for rules and enforcement shifted from individual State Racing Commissions to this federally empowered organization operating under the authority of the US Federal Trade Commission.

The newly incorporated Horseracing Integrity and Safety Authority (HISA) was created on September 8, 2020, weeks prior to passage of the Horseracing Integrity and Safety Act (Act) as a rider attached to a federal COVID relief bill in the final days of the 2020 Congressional session. The entity did not previously exist and was incorporated in Delaware. The Act was not a product of any committee and did not go through “regular order” where Members of Congress and constituents could work to perfect the legislation. There was no discussion or debate as to the wisdom of a congressional empowerment of a previously non-existent entity with no background in the matters for which it was to become responsible. Yet that is what became law.

The Act mandated that the HISA was to become responsible for equine and racetrack safety as well as anti-doping and medication control regulations and enforcement eighteen months later on July 1, 2022.

The incorporators designated a Nominating Committee to select Members of the Board of Directors. It took five months to form the HISA Board and identify an Executive Director, albeit a temporary one, who commenced work mid-July 2021 to begin a considerable and logistically challenging transition to a new regulatory scheme.

In hindsight the Nominating Committee’s delay in appointing a Board that could hire staff further limited the available time to comply with statutory deadlines and made HISA’s job far more difficult than it should ever have been. It also delayed meaningful transition conversations with individual State Racing Commissions eager to have a smooth implementation in their State, however it was ultimately structured.

A permanent HISA CEO, Ms. Lisa Lazarus, did not start until February 15, 2022, just four and a half months prior to the statutory launch deadline. She faced a daunting task implementing key decisions made prior to her arrival and building a team beyond a hodgepodge of outside attorneys and consultants.

Complicating matters was HISA's inability to secure an agreement with the United States Anti-Doping Agency (USADA) at the end of 2021. USADA had been designed by the Act as HISA's anti-doping medication and control enforcement agency, but the designation was not binding absent a contract agreement between HISA and USADA. After months of transition meetings with State Racing Commissions and HISA staff and private negotiations with HISA representatives, the USADA announced at the end of 2021 they would not be participating further with HISA.

It was not until May 3, 2022 that HISA announced the selection of Drug Free Sport, a decision made behind closed doors with no transparency as to the extent a competitive procurement process had been conducted for what would prove to be a multi-million dollar contract paid for by congressionally authorized assessments on the racing industry and state government funds provided by states with the ability to do so.

Despite the statutory deadline, it was operationally impossible for HISA's anti-doping and medication rules and program to take effective on July 1, 2022. This alleviated the intense operational pressure on the HISA staff in the weeks leading to the launch of the equine and racetrack safety program.

That program launched on time, and it is to the credit of Ms. Lazarus and her staff as well as the overwhelming majority of state racing commissions who entered into "voluntary agreements" to provide personnel and resources to assist.

The Anti-Doping and Medication Control program launched on March 27, 2023, and has been operating for six months.

The purpose of this document is to take a moment in time to assess how everything is working so far. The racing industry remains divided on HISA, and this document is not to be interpreted as "pro-HISA" or "anti-HISA." This assessment presents what is known and people will reach whatever conclusions they personally deem appropriate.

Assessing the Results:

Depending on who one speaks to, HISA has been a tremendous success or a costly disaster. It is a tremendous success in that there are uniform rules and common drug testing points of regulatory action. Everyone agreed this was needed. For those struggling to pay increased regulatory fees or who face a loss of business because a venue may cease or reduce thoroughbred racing opportunities for whatever reason, HISA may be regarded as a costly disaster.

The creation of two new entities, HISA and the Horseracing Integrity and Welfare Unit (HIWU) come with a cost. The proposed 2024 HISA budget is \$80,967,416. State funding and resources are estimated to be \$18,740,635 next year, meaning that HISA's assessment of the thoroughbred industry will be reduced to \$59,846,163.

This is a significant investment and the thoroughbred industry will ultimately assess if the results have been worth the price paid. The ARCI takes no position on this only to note that some States have already opted to not provide any resources or funding for HISA. In the coming years more State policymakers may limit the ability of their racing commission to provide public resources or funding to assist this private entity. These states may emulate sports betting regulatory policy where the states do not fund a sport's integrity or participant safety programs.

The purpose of this assessment is to present information. Any safety or enforcement program can only be assessed by the results. After one year of HISA's equine and racetrack safety program and six months of the Anti-Doping and Medication Control Program, there are some solid results to be digested.

EQUINE AND RACETRACK SAFETY PROGRAM

Catastrophic breakdowns will ultimately be the metric by which thoroughbred horseracing and HISA are judged. The highly publicized 2020 fatalities at Santa Anita or 2023 deaths at Churchill Downs underscore the fragility of a sport dependent on social acceptability for its ultimate survival. Despite declining fatalities in California and

nationally, one soon appreciates that perception is not necessarily reality. And perception, whether fact based or not, can turn on a dime. Greyhound racing knows that better than anyone.

The Act passed with strong support from animal rights and animal welfare organizations and congressional supporters who will expect the promised results from the enormous change the regulatory structure they were convinced to get behind.

The expectation? Safer horses and fewer catastrophic deaths.

As you will see from the following numbers, this is an extremely difficult and complicated issue not prone to simplistic answers or explanations. Many will judge the sport on the simple number of horses that died in a race or in training. But context is important and the catastrophic breakdown rate (race related deaths as a percentage of the number of horses that start in a race) becomes a measurable metric. In considering those rates one must recognize the large amount of racing activity taking place and while a horse that dies may dominate a news cycle, that death may be the exception and not the rule.

This is not to minimize the need to consistently strive to reduce such instances, but any consideration of this issue must be kept in context as trends are important in assessing whether what one is doing is working or not. Finding policies that work is what everyone wants and while HISA is the empowered national regulator, only a sober assessment of how things are working can be helpful to the future of the horses, the sport, and everyone working in it.

While a fatality rate can be assessed for horses in an actual race, it is not yet possible for horses in training. In 2022, there were 86 equine deaths of horses in training in the pre-HISA months, and 95 after HISA took charge. The only conclusion to be reached is that the challenge is not limited to the race itself and any consideration of the data in this report must be tempered by a recognition that solutions need to be holistic and a divided industry jeopardizes the collective responsibility to address these matters.

Many of HISA's equine and racetrack safety rules were based upon existing Model Rules of the Association of Racing Commissioners International and the accreditation standards of the National Thoroughbred Racing Association. New and important rules were added expanding regulatory jurisdiction over covered horses and requiring the submission of all

veterinary records for those horses from the point they were registered with HISA forward. While the ARCI remains on record advocating the earlier regulatory jurisdiction over the horse itself the Act did not provide for that. The ARCI supports HISA’s new veterinary record submission rule as a welcome reform giving the HISA regulators a new tool to better identify at-risk horses and ways to safeguard them, through enhanced pre-race suitability scrutiny assessments.

As of July 1, 2022, all veterinary records have been required to be submitted electronically to HISA on all covered horses. It is unclear the extent this requirement has been enforced since taking effect or what exactly has been done with these veterinary records to “red flag” horses for increased suitability assessments to start in a race.

2022 Pre-HISA - Post HISA Data

2022 gives us the ability to look at six months of pre-HISA thoroughbred racing, operating under the individual state rules, and six months post-HISA operating under the new expanded rules.

It was impossible to draft the pre-HISA, post-HISA comparison for the following States: Colorado, Idaho, and Nebraska due to their lack of a racing schedule for either the first or second half of the year. Due to technical database issues, the Texas Racing Commission could not provide relevant data and the Oregon numbers were too minimal to be considered.

In assessing these numbers, the goal and hope was to explore whether the increased scrutiny of covered horses might show significant results.

2022	Comparison of % of fatalities of starters					
	Jan 1 to June 30			July 1 to Dec 31		
	Fatalities	Starters	Rate	Fatalities	Starters	Rate
Arizona	16	4863	0.329011	4	2636	0.151745
Arkansas	2	4743	0.042167	0	680	0
California	12	9858	0.121729	11	11243	0.097839

Delaware	1	1064	0.093985	9	3712	0.242457
Florida	28	8577	0.326454	12	6955	0.172538
Illinois	0	1651	0	3	2633	0.113935
Indiana	0	2353	0	3	5180	0.057915
Iowa	0	1265	0	8	2497	0.320384
Kentucky	8	7275	0.042167	7	8638	0.081037
Louisiana	20	12014	0.166472	9	9463	0.095107
Maryland	7	5406	0.129486	5	5776	0.086565
Minnesota	2	1415	0.141343	2	2452	0.081566
New Jersey	4	1474	0.27137	5	3306	0.15124
New Mexico	8	6868	0.116482	3	11259	0.026645
New York	13	7420	0.175202	16	11552	0.138504
Ohio	18	7173	0.250941	15	9149	0.163952
Oklahoma	6	2605	0.230326	6	5694	0.105374
Pennsylvania	11	10583	0.10394	17	12708	0.133774
Washington	3	892	0.336323	2	1833	0.109111
West Virginia	17	6757	0.251591	17	9775	0.173913
		Rate:	0.169		Rate:	0.121

Important points to consider:

- The overall catastrophic breakdown rate in thoroughbred contests was 0.169 for the first half of 2022 and 0.121 during the second half.
- While the number of equine fatalities in a race was reduced from 177 to 154 in the months following HISA’s effective date, 11 of the 23 fewer fatalities were the result of the experience in Louisiana, a non-HISA state. The fatality rate in another non-HISA state (West Virginia) also declined despite the number remaining constant.

- Overall, the fatality rate declined in twelve HISA regulated jurisdictions from the first half to the second half of 2022 but increased in six other HISA regulated States, making it difficult to draw any firm conclusion.
- In recent years, the catastrophic breakdown rate has been declining due to industry wide efforts involving participants, racetracks, and racing commissions. As such it may be premature to draw any conclusions as to the impact of HISA’s new program and rules.
- It remains important to underscore the fact that 99.83% of the thoroughbred horses that started a race during the first half of 2022 finished. During the second half, 99.87% finished.

2023 Thoroughbred Equine and Racetrack Safety Results:

<i>THOROUGHBRED RACING - 2023 January thru June.</i>			
State	FATALITIES	STARTERS	Rate
Arkansas	11	5457	0.20158
Arizona	12	4859	0.24696
California	8	9636	0.08302
Colorado	0	354	0
Delaware	2	967	0.20683
Florida	6	13336	0.04499
Idaho	0	8	0
Illinois	2	2091	0.09565
Indiana	3	2518	0.11914
Iowa	2	1232	0.16233
Kentucky	20	7964	0.25113

Louisiana	10	10030	0.0997
Maryland	4	5005	0.07992
Minnesota	2	749	0.26702
Nebraska	5	2160	0.23148
New Jersey	2	1460	0.13699
New Mexico	6	3188	0.18821
New York	13	7428	0.17501
Ohio	11	9101	0.12087
Oklahoma	4	2044	0.19569
Oregon	0	146	0
Pennsylvania	11	10980	0.10018
Texas	5	5480	0.09124
Washington	0	1016	0
West Virginia	14	6904	0.20278
		Rate:	0.134

2023 Breakdown Rates Ranked Highest to Lowest:

THOROUGHBRED RACING - 2023			
January thru June.			
State	FATALITIES	STARTERS	% of loss
Minnesota	2	749	0.26702
Kentucky	20	7964	0.25113
Arizona	12	4859	0.2469644
Nebraska	5	2160	0.23148148
Delaware	2	967	0.20682523
West Virginia	14	6904	0.202781
Arkansas	11	5457	0.20157596

Oklahoma	4	2044	0.19569472
New Mexico	6	3188	0.18820577
New York	13	7428	0.17501346
Iowa	2	1232	0.16233
New Jersey	2	1460	0.1369863
Ohio	11	9101	0.12086584
Indiana	3	2518	0.11914218
Pennsylvania	11	10980	0.10018215
Louisiana	10	10030	0.0997009
Illinois	2	2091	0.09564802
Texas	5	5480	0.09124088
California	8	9636	0.08302
Maryland	4	5005	0.07992008
Florida	6	13336	0.044991
Washington	0	1016	0
Colorado	0	354	0
Oregon	0	146	0
Idaho	0	8	0
		Rate:	0.134

Items to note:

- It is critical to note that while every individual equine fatality is a tragedy, when one considers the overall number of horses that enter a starting gate to race, it is an undeniable fact that 99.86% of those horses finished that race during the first six months of 2023. Preventing catastrophic injuries in thoroughbred racing has been a long-term project involving everyone in the sport and the progress made in this area pre-dated the implementation of HISA and will hopefully continue to improve going forward.

- During the first six months of 2023 the number of States with a catastrophic breakdown rate higher than the national average was equal to the number with rates below the national average.
- Of the three States who are currently not under HISA regulation, two had breakdown rates below the national average (Texas and Louisiana) and one was above (West Virginia).

Trends:

The following chart is presented to explore if there are any discernible trends in the data. The first half year was pre-HISA, the next two half year increments show data under HISA.

	Jan 1 to June 30, 2022			July 1 to Dec 31, 2022			January 1 - June 30, 2023		
	Fatalities	Starters	Rate	Fatalities	Starters	Rate	Fatalities	Starters	Rate
Arizona	16	4863	0.329011	4	2636	0.151745	12	4859	0.246964
Arkansas	2	4743	0.042167	0	680	0	11	5457	0.201576
California	12	9858	0.121729	11	11243	0.097839	8	9636	0.08302
Delaware	1	1064	0.093985	9	3712	0.242457	2	967	0.206825
Florida	28	8577	0.326454	12	6955	0.172538	6	13336	0.044991
Illinois	0	1651	0	3	2633	0.113935	2	2091	0.095648
Indiana	0	2353	0	3	5180	0.057915	3	2518	0.119142
Iowa	0	1265	0	8	2497	0.320384	2	1232	0.16233
Kentucky	8	7275	0.042167	7	8638	0.081037	20	7964	0.25113
Louisiana	20	12014	0.166472	9	9463	0.095107	10	10030	0.099701
Maryland	7	5406	0.129486	5	5776	0.086565	4	5005	0.07992
Minnesota	2	1415	0.141343	2	2452	0.081566	2	749	0.26702
New Jersey	4	1474	0.27137	5	3306	0.15124	2	1460	0.136986
New Mexico	8	6868	0.116482	3	11259	0.026645	6	3188	0.188206
New York	13	7420	0.175202	16	11552	0.138504	13	7428	0.175013

Ohio	18	7173	0.250941	15	9149	0.163952	11	9101	0.120866
Oklahoma	6	2605	0.230326	6	5694	0.105374	4	2044	0.195695
Pennsylvania	11	10583	0.10394	17	12708	0.133774	11	10980	0.100182
Washington	3	892	0.336323	2	1833	0.109111	0	1016	0
West Virginia	17	6757	0.251591	17	9775	0.173913	14	6904	0.202781

Observations from Trends:

- States with an increasing fatality rate over three half year periods: Arkansas, Delaware, Indiana, Kentucky.
- States with a decreasing fatality rate over three half year periods: California, Florida, Maryland, New Jersey, Ohio, and Washington.

State Fatality Rates for 12 months of HISA Oversight:

	July 1, 2022 - June 30, 2023		
	Fatalities	Starters	Rate
Arizona	16	7495	0.21347565
Arkansas	11	6137	0.17924067
California	19	20879	0.09100053
Delaware	11	4679	0.23509297
Florida	18	20291	0.08870928
Illinois	5	4724	0.10584251
Indiana	6	7698	0.07794232
Iowa	10	3729	0.26816841
Kentucky	27	16602	0.16263101
Louisiana	19	19493	0.09747089
Maryland	9	10781	0.0834802

Minnesota	4	3201	0.12496095
New Jersey	7	4766	0.14687369
New Mexico	9	14447	0.06229667
New York	29	18980	0.15279241
Ohio	26	18250	0.14246575
Oklahoma	10	7738	0.12923236
Pennsylvania	28	23688	0.11820331
Washington	2	2849	0.07020007
West Virginia	31	16679	0.18586246

Observation from 12-month HISA Chart.

- Nine States saw an increased fatality rate when comparing the final six months of state regulation to the past year of HISA Regulatory oversight. These States were: Arkansas, Delaware, Illinois, Indiana, Iowa, Kentucky, Minnesota, New Mexico, and Washington.
- Nine states experienced a decreased fatality rate using the same comparison: Arizona, California, Florida, Louisiana, Maryland, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, and West Virginia. Louisiana and West Virginia both saw a fatality rate reduction but neither State was under the HISA's regulatory scheme.
- The data demonstrates a "mixed bag," and it is difficult to assess the extent to which HISA oversight had an effect on the sport's bottom line - the rate at which a horse will suffer a fatal injury in a thoroughbred race.
- The overall fatality in a race rate for this period of time is 0.127.

ANTI-DOPING AND MEDICATION CONTROL (ADMC)

On March 27, 2023, the total responsibility for anti-doping and medication control policy and enforcement in thoroughbred racing shifted from the State Racing Commissions to the Horseracing Integrity and Safety Authority and a newly created entity managed by its contracted vendor Drug Free Sport operating as the Horseracing Integrity and Welfare Unit (HIWU).

The Act envisioned, but did not require, the involvement of the United States Anti-Doping Agency (USADA) as the HISA enforcement agency. After almost a year of planning, meetings, and negotiations between the two parties USADA withdrew, and HISA was forced to find an alternative. That alternative operates as HIWU.

The new program has been heralded as robust and expectations among HISA proponents remain high that it is a vast improvement over the program operated at the state level by the Racing Commissions.

After six months operating the following preliminary assessments can be made:

- Uniform rules and common points of regulatory action for thoroughbred races in the reporting of an adverse analytical finding from the testing lab are a solid improvement. Total uniformity resulting from one set of rules and one contractor of the labs replaced individual state rules and vendor arrangements. Despite the previous substantial uniformity that had existed, whatever variations that previously existed between jurisdictions have now been eliminated.
- HISA/HIWU testing is **not** finding any new substances or drugs that were not previously found by the State programs. Based upon the public reports on the HIWU website no new drugs have been detected and the following substances have been reported:
 - Acepromazine, Acetylcysteine, Albuterol; Alkalinization, Altrenogest, Butalbital, Clenbuterol, Cobalt Salts, Cocaine, Dantrolene, Detomidine, Dexamethasone, Diisopropylamine, Dimethylsulfoxide, Flunxin, Furosemide, Gabapentin, Hydrochlorothiazide, Isoxsuprine, Levamisole,

Levothyroxine, Lidocaine, Metformin, Methamphetamine, Methocarbamol, Methylphenidate, Naproxen, Omeprazole, Phenylbutazone, Salicylic Acid, Tapentadol, Triamcinolone, Venlafaxine, Zeranol.

- In response to a question about post-race test results, HIWU reported in a September 7, 2023, HISA Town Hall that it had tested approximately 25,000 horses in the first 3.5 months. These tests not only included post-race samples, but tests related to the removal of a horse from the “Vet’s list” consistent with HISA rules, and both random and intelligence based out of competition tests. The HIWU website indicates have been 84 resolved cases and 40 anti-doping/ medication control violations still pending, for a total of 124. Using these rough numbers, the “clear” rate is approximately 99.5%. The “clear rate” for all horseracing by the state commissions in 2022 was 99.59%.

HIWU has indicated that it plans to report data on a quarterly basis in more detail. That level of transparency is important to assess the operation of the testing program going forward. Based on the information provided to date, it is unclear the extent to which out of competition testing has increased and whether post-race testing is at the same, a greater or reduced level. What is known is that the clear rate has not significantly changed, and no new substances have been found.

Policy decisions were made by HISA to create an entirely new arbitration adjudication system rather than use the existing one already in place in the states. Anti-doping and medication control enforcement no longer relies on state investigative staff and there have been numerous reports about multiple HIWU investigators literally flying into a racetrack to search a trainer’s barn. This appears to be a costly alternative to using a local investigator accompanied by a witness to conduct a search and secure evidence if found. To the extent this is happening the ultimate cost to the industry increases. HISA opponents as well as neutral observers have complained about strong armed tactics and a presumption of guilt. Perhaps these are training exercises but if they are not the extent to which HISA provides managerial oversight and programmatic cost control is unknown and not transparent.

EXECUTIVE SUMMARY AND CONCLUSIONS:

Based upon a year's experience with the Equine and Racetrack Safety Program and six months of the Anti-Doping and Medication Control Program, the following conclusions are valid:

- There has been a significant increased cost to the thoroughbred racing industry despite being mitigated by States that have provided resources and funding to HISA. The proposed 2024 HISA Budget, after taking into account an \$18.7 million contribution from the States, will impose \$59,846,163 in regulatory assessments on the thoroughbred industry.
- Some racing venues in California, Arizona, Pennsylvania, and Maryland and elsewhere are reportedly considering the reduction of thoroughbred racing opportunities because of economic considerations of which HISA racetrack assessments obviously contribute.
- There does not appear to be any dramatic reduction in the fatality rate in thoroughbred races resulting from HISA oversight despite increased authority over racehorses and new requirements mandating the submission of all veterinary records. It is unclear the extent to which breakdown rate reductions, where they occur, are the continuation of previous trends or can be credited to HISA. In any event, the baton has been passed to HISA and most States are working cooperatively with them.
- The drug testing program has not detected any new substances that had not been detected by the previous State programs.
- The preliminary numbers of the testing program show a “clear rate” that is virtually identical to the rate realized by the previous state programs. The HISA program appears to be running consistent with its predecessor state run programs.

- HISA staff has risen to the challenge of launching a credible program and in revisiting initial policies that were disruptive and ill advised, causing an outcry from some industry participants. Prior to and after the initial launch the staff appears to have faced internal communication issues that caused confusion and, in some cases, fostered mistrust. Specifically:
 - Misrepresentations to individual State Racing Commissions as to the extent to which other States had executed a "Voluntary Agreement". At the request of several States, the ARCI would conduct a survey on the status of each jurisdiction's negotiations and report such to its members. It is unclear whether the provision of inaccurate information was the result of HISA internal communication breakdowns or a deliberate tactic to elicit closure on contract negotiations. It was a hectic time for HISA and they were aggressively working to meet the statutory deadline.
 - During final negotiations on "voluntary agreements" in the weeks prior to the July 1, 2022 launch some States were told by HISA representatives that any reimbursement for the use of public resources would not be possible or considered. These States learned later that an agreement was made with New Jersey for such reimbursements.
 - Despite meetings by HISA with Stewards coordinated by the Racing Officials Accreditation Program, confusion and debate persisted about the crop rule and the number of permitted strikes and where those strikes could land on a horse. The HISA Handbook for Stewards was distributed just 2 days before the new rules took effect.
 - Other examples exist as well as the concerns of some as to consistency in rule enforcement which may be indicative of "growing pains" or something more problematic. HISA's recommendation that resulted in a shift of races from Churchill Downs to Ellis Park earlier this year raised questions as to why concerns about racing did not extend to training on the Churchill track. Likewise, the HISA response to fatalities at Churchill Downs was not consistent with their response to less publicized fatalities in Arizona, Arkansas, Ohio, Iowa, Pennsylvania, and other places. In Maryland, HISA apparently was not involved in a decision by the racetrack and horsemen to temporarily close Laurel Park and HISA was silent on the decision by the track, horsemen, and State Racing Commission to reopen after an independent safety assessment.
- A major improvement resulting from HISA implementation lies in the total uniformity of rules and laboratory levels of adverse analytical findings.

Final Note:

For over eighty years the Association of Racing Commissioners International has been a recognized independent authority on horseracing regulatory matters. The ARCI has assessed pertinent issues and regulatory operations for the Province of Ontario Canada, the New Mexico Attorney General, various State Legislative Committees as well as Congressional subcommittees considering various federal legislative proposals.

ARCI membership is limited to the independent entities designated by statute to enact and enforce regulatory policy. ARCI standards, particularly the Uniform Classification of Foreign Substances, are relied upon not only by its members but non-members worldwide who routinely make inquiries to the group seeking guidance. The ARCI Model Rules represent the collective wisdom of the North American regulatory network and in some cases have been incorporated by reference by regulatory entities like the federal Canadian Pari-Mutuel Agency.

In the US, the Regulator Members of the Association of Racing Commissioners International (ARCI) universally want the racing regulatory scheme for thoroughbred racing to work and work effectively. That is essential for the protection of horses and the integrity of the sport.

Absent court action deciding otherwise, the Horseracing Integrity and Safety Act (ACT) is legally in effect, and all ARCI US member jurisdictions have worked to have a smooth transition, regardless of the extent to which they have been able to provide state funds or publicly funded resources through “Voluntary Agreements” or informal assistance.

The ARCI has not joined any of the pending challenges to the constitutionality of the Act but notes that some members believe there are important constitutional questions that can only be resolved by the Courts. These members have become parties in some of the cases.

In August, 2022 the ARCI President called for discussions between the parties to reach common ground and seek a modification to the Act that could end the continued division in professional horseracing.

Since enactment of the Act the ARCI has worked to advise and assist all involved by identifying operational and logistical obstacles that would need to be addressed. ARCI staff resources were committed to coordinate preliminary state by state “transition” calls

involving key State officials and HISA personnel to identify state specific issues that HISA would need to address going forward. The association also provided over \$1,000,000 of in-kind data services to facilitate the registration of covered persons with HISA.

Other than identifying options for member agencies and extending a similar offer to Ms. Lazarus, ARCI personnel were not asked by HISA or any commission, to mediate or participate in the negotiations on “voluntary agreements” with individual State Racing Commissions. Only Washington State asked the ARCI staff to observe one of their sessions with HISA.

A majority of ARCI members believe that "technical corrections" to the HISA Act would have helped HISA gain confidence of its regulated constituencies through policymaking and operational transparency consistent with the requirements of the Federal Advisory Committee Act (FACA).

Acknowledgements:

This report was prepared by ARCI staff. Information on breakdowns comes from official state racing commission data with one exception, where to complete this report it needed to be retrieved from a third party publication that had obtained data through a public records request. Starter data was obtained from publicly available information and HIWU drug detections and cases were obtained from the HIWU website as well as comments made by HIWU officials during the September 7, 2023 HISA Town Hall. HISA budget figures are based on filings with the US Federal Trade Commission. Information concerning racetracks considering closing or limiting racing activity were based on published reports.