



U.S. Trotting Association

6130 S. Sunbury Rd., Westerville, OH 43081-9309 • www.ustrotting.com

Phone (toll free U.S. & Canada): 877.800.USTA (8782) • Phone: 614.224.2291

Fax (toll free U.S. & Canada): 844.229.1338 • Fax: 614.224.4575

THE USTA-SRIF ALLIANCE

Why the Alliance Was Created

On March 9, 2023, the Executive Committee of the United States Trotting Association (USTA) met during the USTA's annual meeting and discussed whether the USTA could work with the Standardbred Racing Investigative Fund (SRIF) to investigate hidden ownership and other possible violations of USTA rules.

SRIF could bring financial and investigative resources to these cases that the USTA did not have on its own. The Executive Committee unanimously and enthusiastically supported the idea.

The discussion took place in executive session. This was done to protect the privacy of people who might be accused of rule violations, particularly if specific examples were discussed.

Why SRIF Matters to the USTA

Harness racing regulation serves multiple purposes, but none is more important than protecting the welfare of our horses.

The Standardbred Racing Investigative Fund (SRIF) is a 501(c)(3) nonprofit organization created to further this same purpose, which was established in its bylaws: "to protect the health, safety, and welfare of horses in the Standardbred racing and breeding industry." SRIF carries out its mission by investigating violations of laws and regulations designed to protect horses in harness racing.

SRIF is governed by a five-member board. It has received financial support from the Hanover Shoe Farms Foundation, the SOANY, the PHHA, the Virginia Harness Horsemen's Association, and the USTA.

Regulatory compliance is necessary to maintain the integrity of the Standardbred registry and ensure competitive fairness in harness racing, which furthers the goal of fostering a thriving Standardbred economy.

Many rule violations can be investigated through the USTA's existing resources and procedures. Some matters, however, can be considerably more difficult to investigate. Suspected hidden ownership, undisclosed financial relationships, and fraudulent arrangements involving multiple individuals or entities may require financial analysis and investigative expertise and resources beyond those normally available to the Association.

That is the gap the USTA-SRIF Alliance was created to address.

The value of the Alliance is not simply to assign all investigations to SRIF. It is that, when warranted, the USTA has access to additional investigative capabilities that can help determine the entire facts so the USTA can then fully and fairly determine if a violation of its rules occurred. Without these resources, the misconduct would remain undetected and ongoing.

The Alliance gives the USTA another tool. It does not replace the USTA's existing enforcement process.

The USTA-SRIF Alliance Agreement

In September 2023, the USTA and SRIF finalized a written agreement establishing how the two organizations would work together, known as the **Alliance Agreement**. USTA counsel Don Brey and SRIF counsel Kathy Granbois helped develop the agreement.

The Alliance Agreement contains several safeguards.

First, **investigators cannot simply decide on their own to start an investigation**. Every investigation must first be approved by a Screening Committee made up of representatives of both organizations.

Second, **the purpose and scope of every approved investigation must be described in a written addendum** to the Alliance Agreement. This creates a permanent written record of what the investigation is intended to examine.

Third, **investigators do not have the final say about whether such requests are appropriate**. If there is a dispute over an information request, the Screening Committee conducts an independent initial review and determines if the request is reasonable and appropriate. This provides member an opportunity to be heard on the matter before a finding of a rule violation may occur.

These requirements are designed to ensure that investigations are supervised by the organizations themselves rather than being started or controlled by individual investigators.

Privacy and Confidentiality

The Alliance Agreement also contains detailed rules protecting privacy. Information and investigative work product are generally required to remain confidential. The agreement places restrictions on who can receive or disclose information related to an investigation or related proceedings.

Confidentiality is important because an investigation is not a finding of wrongdoing. Protecting information while the facts are being established helps protect both the integrity of an investigation and the rights of the person or organization being investigated. The USTA and SRIF have never breached the confidentiality requirements of the Alliance Agreement. Any disclosures to date have come from the people who were themselves the subjects of investigations.

Requests for Financial Information

The USTA's rules obligate members to provide records and information related to matters subject to the Association's oversight, like registrations, transfers, and the administration of substances to Standardbreds. Record requests are particularly important in hidden-ownership investigations, which may require investigators to "follow the money" by reviewing bank statements or other financial records.

The Alliance Agreement was amended to give the Screening Committee authority to resolve disputes over requests for records and information.

The USTA's Existing Enforcement Process

The USTA has always had its own process for investigating and acting on alleged rule violations.

When appropriate, the USTA president or executive vice president can impose a penalty. The person or organization receiving the penalty has the right to appeal to the appropriate district board.

If the president or executive vice president does not accept the district board's decision, the matter can be referred to the USTA's Executive Committee. That basic process remains in place.

A New Internal Hearing Process

In October 2024, the full USTA Board of Directors met in a special session and created an additional internal adjudication process.

Under this process, the USTA president selects a five-member Investigative Committee to review the results of SRIF's investigation. If there is a basis to proceed, the Investigative Committee provides the person or organization being investigated notice of the allegations, all underlying evidence, and an opportunity to present evidence and argument in their defense. The Committee then determines whether a USTA rule was violated and submits a recommendation to the Executive Committee, which makes the ultimate determination on violations and sanctions.

Anyone found to have violated a rule has the same right to review that exists when a district board decides that a violation occurred.

An Example of the Appeal Process

In July 2025, the USTA Executive Committee considered a recommendation of rule violations and sanctions from the Investigative Committee.

After a full hearing, the Investigative Committee found that a USTA member violated the rules and recommended a \$5,000 fine. After considering the recommendation, the Executive Committee imposed a greater penalty of \$15,000.

This illustrates that the review process can result in a penalty being changed—not necessarily reduced.

Changes Made in 2026

In August 2026, the SRIF Board of Directors approved amendments to the Alliance Agreement.

Among other things, the amendments clarified the role of the Screening Committee. This Committee may have up to four members and is responsible for approving or rejecting proposed investigations.

As mentioned above, the Screening Committee also has authority to resolve disputes about whether requests for information are appropriate or whether the requested information goes beyond what is reasonably necessary for an investigation.

These formal changes to the Alliance Agreement further clarify the oversight structure surrounding SRIF investigations.

The Bottom Line: What Are the Safeguards?

The USTA-SRIF Alliance is based on a written agreement developed by legal counsel for both organizations. The Alliance Agreement protects both the integrity of investigations and the basic fairness and privacy rights of people being investigated.

The process has several safeguards:

- **Investigators cannot start an investigation on their own.** The Screening Committee must approve it first.
- **Every approved investigation must be documented in writing.** Its purpose and scope are recorded in an addendum to the Alliance Agreement.
- **Investigators do not have unlimited authority to demand information.** SRIF restricts its requests for information to materials relevant to its investigation. And if there is a dispute about an information request, the Screening Committee decides whether the request is appropriate before any rule violation may be found.
- **Investigations are confidential.** The Alliance Agreement contains specific restrictions on disclosure of investigative information that are binding on SRIF and the USTA.
- **People accused of violations have an opportunity to defend themselves.** The Investigative Committee provides notice to the accused and can hold hearings and consider evidence and arguments in defense of the person being investigated.
- **Investigative Committee recommendations are reviewed and determined by the Executive Committee.** The recommendations of the Investigative Committee are reviewed by the Executive Committee, which makes the ultimate decision on violations and sanctions.
- **Executive Committee decisions are not necessarily the final word.** Under the USTA bylaws, Executive Committee actions must be

reported promptly to the full Board of Directors. The bylaws provide a mechanism for calling a special meeting of the full Board if enough directors request one.

In other words, **no single investigator or individual has complete control over the process.** Starting an investigation requires approval from the Screening Committee. Information disputes can also be decided by that Committee. SRIF's findings are then reviewed through the USTA's hearing and appeals process, with additional oversight by the Executive Committee and, when appropriate, the full Board of Directors.

The goal is to give the USTA access to SRIF's investigative and financial resources while maintaining appropriate oversight, confidentiality, and due process for anyone accused of violating USTA rules.

Questions about this process are welcome, as are suggestions for additional safeguards that would make the process fairer without preventing the USTA from effectively enforcing its rules.