

Alert | Equine Industry Group

July 2022

HISA's First Stumble: District Court Halts Enforcement of HISA in Louisiana and West Virginia

On July 26, 2022, federal Judge Terry Doughty of the U.S. District Court for the Western District of Louisiana granted plaintiff states Louisiana and West Virginia's preliminary injunction to prevent the implementation of the Horseracing Integrity and Safety Authority's (HISA) rules. These states, joined by the Louisiana State Racing Commission, Louisiana Horsemen's Benevolent & Protective Association, Jockeys' Guild, and West Virginia Racing Commission, do not have to follow HISA's rules until the case is decided. This result comes on the heels of a series of failed challenges to HISA's authority and constitutionality in other federal district courts.

Although Louisiana and West Virginia alleged violations of the U.S. Constitution and the Administrative Procedure Act, Judge Doughty's ruling only addresses the latter. He emphasizes that "[t]his Court is only ruling on the adoption of the rules by HISA, not the constitutionality of the Act." He specifically held HISA did not comply with the 30-day comment period established under the federal Administrative Procedure Act and exceeded its authority when defining "covered horses."

The preliminary injunction only applies to the states of Louisiana and West Virginia. All other states and racetracks still must abide by HISA's racetrack safety, enforcement, assessment methodology, and registration rules that went into effect on July 1.

In response the court's ruling, HISA CEO Lisa Lazarus released the following statement:



Today's ruling from the Western District of Louisiana relates only to the Federal Trade Commission rules, is limited in geographic scope to Louisiana and West Virginia (except with respect to the named plaintiffs), and does not question HISA's constitutionality or validity. The Authority remains focused on implementing the Racetrack Safety program and drafting Anti-Doping and Medication Control rules for implementation in January 2023. Congress enacted HISA to enhance equine and jockey welfare and protect the integrity of this great sport by, for the first time, creating national rules and standards to govern Thoroughbred racing. These measures are backed by research and informed by the expertise of independent and industry representatives.

The reality is that the majority of racing participants support the Authority's mission to protect those who play by the rules and hold those who fail to do so accountable in order to keep our equine and human athletes safe and the competition fair. The immense collaboration with state racing commissions, stewards, veterinarians, racetracks, trainers, and other horsemen that has taken place to date is evidence of this support, and we intend to continue to fulfill our mandate and work to make the industry safer.

While this ruling signals a potential avenue for challenging HISA's authority through the Administrative Procedure Act, several questions remain, including HISA's constitutionality and how HISA will enforce its rules in states like Texas that refuse to comply with the regulations.

Authors

This GT Alert was prepared by:

- Madeline Orlando | +1 916.442.1111 | orlandom@gtlaw.com
- Rodman Law | +1 973.360.7900 | lawr@gtlaw.com

Albany. Amsterdam. Atlanta. Austin. Boston. Charlotte. Chicago. Dallas. Delaware. Denver. Fort Lauderdale. Germany.¬ Houston. Las Vegas. London.* Long Island. Los Angeles. Mexico City.+ Miami. Milan.» Minneapolis. New Jersey. New York. Northern Virginia. Orange County. Orlando. Philadelphia. Phoenix. Portland. Sacramento. Salt Lake City. San Francisco. Seoul.∞ Shanghai. Silicon Valley. Tallahassee. Tampa. Tel Aviv.^ Tokyo.∗ Warsaw.∼ Washington, D.C.. West Palm Beach. Westchester County.

This Greenberg Traurig Alert is issued for informational purposes only and is not intended to be construed or used as general legal advice nor as a solicitation of any type. Please contact the author(s) or your Greenberg Traurig contact if you have questions regarding the currency of this information. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ¬Greenberg Traurig's Berlin office is operated by Greenberg Traurig Germany, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. *Operates as a separate UK registered legal entity. +Greenberg Traurig's Mexico City office is operated by Greenberg Traurig, S.C., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. *Greenberg Traurig's Milan office is operated by Greenberg Traurig Santa Maria, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. *Operates as Greenberg Traurig LLP Foreign Legal Consultant Office. *Greenberg Traurig's Tel Aviv office is a branch of Greenberg Traurig, P.A., Florida, USA. *Greenberg Traurig's Tokyo Office is operated by GT Tokyo Horitsu Jimusho and Greenberg Traurig Gaikokuhojimubengoshi Jimusho, affiliates of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. *Greenberg Traurig's Warsaw office is operated by GREENBERG TRAURIG Nowakowska-Zimoch Wysokiński sp.k., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. Certain partners in GREENBERG TRAURIG Nowakowska-Zimoch Wysokiński sp.k. are also shareholders in Greenberg Traurig, P.A. Images in this advertisement do not depict Greenberg Traurig attorneys, clients, staff or facilities. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. ©2022 Greenberg Traurig, LLP. All rights reserved.

^{*} Special thanks to Summer Associate Hassan Smith for his valuable contributions to this GT Alert.