

BEFORE THE HORSERACING INTEGRITY AND SAFETY AUTHORITY'S ANTI-DOPING AND MEDICATION CONTROL PROGRAM ARBITRATION PANEL

ADMINISTERED BY JAMS, CASE NO. 1501001134

In the Matter of the Arbitration Between:

HORSE RACING INTEGRITY WELFARE UNIT ("**HIWU**" or "**Claimant**"),
Claimant

v.

CARLOS ACOSTA, JR. ("**Trainer Acosta**" or "**Respondent**"),
Respondent.

(CORRECTED) FINAL DECISION

I, THE UNDERSIGNED ARBITRATOR, having been designated, and having been duly sworn, and having duly heard the allegations, arguments, submissions, proofs, and evidence submitted by the Parties, after a full evidentiary hearing occurring via Zoom (Respondent located in Albuquerque, New Mexico) on December 4, 2025, pursuant to the Horseracing Integrity and Safety Act of 2020 and its implementing regulations, do hereby FIND and DECIDE as follows:

I. INTRODUCTION

1.1 This case involves allegations of two Presence Based Anti-Doping and Medical Control ("ADMC") Program Rule 3212 violations by a trainer of thoroughbred racehorses, based upon the Substance Albuterol in two Covered Horses, in circumstances that render it a Banned Substance as there is no proof that either Covered Horse was prescribed the Albuterol by a Veterinarian (in the context of a valid veterinarian-patient-client relationship) as an inhaled bronchodilator.

1.2 HIWU is the United States government-recognized entity responsible for sample collection and results management in the anti-doping testing of thoroughbred racehorses in the United States, pursuant to the Horseracing Integrity Act of 2020, 15 U.S.C. secs. 3051-3060. HIWU was represented by Allison Farrell, Esq., Senior Litigation Counsel of HIWU, and Paul Greene, Esq., of Global Sports Advocates, Portland, Maine.

1.3 Trainer Acosta is a trainer of thoroughbred racehorses based currently at Albuquerque Downs Racetrack, in Albuquerque, New Mexico. Trainer Acosta was represented in these proceedings by Timothy Steadman, Esq. of Holleman & Associates, P.A., based in Little Rock, Arkansas.

1.4 Throughout this Final Decision, HIWU and Trainer Acosta shall be referred to individually as “Party” and collectively as “Parties.”

II. THE FACTS

2.1 Below is a summary of the relevant facts and allegations based on the Parties’ written submissions, pleadings, and evidence adduced at the hearing. Additional facts and allegations found in the Parties’ written submissions, pleadings and evidence may be set out, where relevant, in connection with the legal discussion that follows. While the Arbitrator has considered all of the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, the Arbitrator refers in this Final Decision only to the submissions and evidence the Arbitrator considers necessary to explain her reasoning. Except as noted, the facts are generally not in dispute, though the legal effect of those facts might be.

2.2 The two horses here, Storm Leader and Tucum, are Covered Horses and thus subject to the ADMC program.

2.3 Trainer Acosta, as the registered Trainer for the two horses, is a Covered Person as well as the Responsible Person, and therefore subject to the ADMC Program.

2.4 Trainer Acosta became the Responsible Person for Tucum on January 26, 2025, and for Storm Leader on March 13, 2025. Karina Gonzalez became the Designated Owner for both horses on the same dates.

2.5 On April 22, 2025, both horses were subject to Out-Of-Competition testing. As both horses were stabled at a private farm near Albuquerque, New Mexico, HIWU Investigator Brian Bennett contacted Trainer Acosta to arrange the testing at the farm. Trainer Acosta refused to allow testing personnel onto the private farm and arranged to have the horses transported to Albuquerque Downs Racetrack for testing.

2.6 Hair Samples and blood Samples were collected from each Covered Horse.¹

2.7 HIWU submitted the hair Samples and blood Samples to Industrial Laboratories (“Industrial”) in Denver, Colorado for analysis. Industrial analyzed the A Samples according to the Equine Standards for Laboratories and Accreditation and reported Adverse Analytical Findings (“AAF”) for Albuterol after confirming its presence in both blood and hair for each horse.

2.8 Trainer Acosta waived analysis of all four B Samples.

2.9 Owner Karina Gonzalez, the owner of Storm Leader and Tucum, provided an initial explanation for the alleged presence of Albuterol. Owner Gonzalez testified that in April 2025, she requested that Dr. Lane Dixon, a licensed veterinarian, examine her horses.

¹ A third horse, Ol’ McClintock, was also tested, but is not at issue in this proceeding

2.10 Owner Gonzalez and Trainer Acosta, who trained Storm Leader and Tucum, were familiar with Dr. Dixon and had previously used his services.

2.11 Owner Gonzalez testified that Dr. Dixon came to the property where the horses were located, examined them, and determined that three of the horses: Storm Leader, Tucum, and Ol' McClintock suffered from exercised induced pulmonary hemorrhage.

2.12 Trainer Acosta and Owner Gonzalez testified that Dr. Dixon prescribed Albuterol to the horses to be administered via an inhaler, and that Storm Leader and Tucum were treated with Albuterol as directed by Dr. Dixon.

2.13 The HISA portal did not contain any veterinary records relating to Albuterol treatment for Storm Leader or Tucum, as required by ADMC Program Rule 2251.12.

2.14 Owner Gonzalez testified that she paid Dr. Dixon in cash for his services, and Trainer Acosta paid in cash when he picked up a supply of Albuterol from Dr. Dixon's office.

2.15 Owner Gonzalez, in a June 23, 2025 email to HIWU, said that she was "sending vet records from a clinic." Owner Gonzalez submitted a pdf. file that contained an email that purported to be from Dr. Lane Dixon dated April 5, 2025. Neither Owner Gonzalez nor Trainer Acosta submitted any authentic veterinary medical (and billing records) as requested by HIWU.

2.16 On July 3, 2025, Attorney Farrell responded on behalf of HIWU and explained that authentic veterinary medical and billing records must be produced showing an actual workup, diagnoses, prescriptions, and treatments for the Covered Horses, for Trainer Acosta to meet his burden to show that the Albuterol detected was given in accordance with Rule 4114(a).

2.17 In response, Ms. Gonzalez abandoned her initial position and claimed that her horses had been "INTENTIONALLY CONTAMINATED with the intention to bring a consequence towards" her. That claim of intentional contamination contradicted her earlier email asserting that a veterinarian prescribed the Albuterol.

2.18 Trainer Acosta did not call or subpoena Dr. Dixon to testify at the Hearing nor did he produce or subpoena veterinary records from Dr. Dixon.

2.19 Under HISA Rule 2251, veterinarians who treat Covered Horses are required to report every treatment to the HISA portal within 24 hours. There are no Albuterol treatments reported in the HISA portal for these Covered Horses, Storm Leader and Tucum.

III. PROCEDURAL HISTORY

3.1 On May 15, 2025, HIWU served Trainer Acosta with an Equine Anti-Doping ("EAD") Notice Letter ("Notice Letter"), stating that the April 22, 2025, Samples collected from the Covered Horses Storm Leader and Tucum, Out-Of-Competition blood Sample, designated as Sample #B200002620, and an Out-Of-Competition hair Sample, designated as Sample

#H200002620, from Storm Leader at Albuquerque Downs in Albuquerque, New Mexico; and an Out-Of-Competition blood Sample, designated as Sample #B200009676, and an Out-Of-Competition hair Sample, designated as Sample # H200009676, from Tucum also at Albuquerque Downs; had each resulted in Adverse Analytical Findings (“AAFs”) for Albuterol, a category S3 Banned Substance.

3.2 On July 10, 2025, HIWU served Trainer Acosta with an EAD Charge Letter, stating that it was charging him with two Anti-Doping Rule Violations, pursuant to Anti-Doping Medication Control (“ADMC”) Program Rule 3248 of the Equine Anti-Doping and Controlled Medication Protocol (the “Protocol”) and ADMC Program Rule 3212 for the Presence of Albuterol in Storm Leader’s blood and hair Samples, #B200002620 and #H200002620, and in Tucum’s blood and hair Samples, #B200009676 and #H200009676, collected Out-of-Competition on April 22, 2025, at Albuquerque Downs in Albuquerque, New Mexico.

3.3 On August 4, 2025, HIWU initiated this arbitration against Trainer Acosta pursuant to Rule 7060(a) on the above-referenced charges.

3.4 On September 3, 2025, the Arbitrator held a preliminary conference hearing. At the hearing, appearing on behalf of HIWU were Allison Farrell, Esq. and Paul Greene, Esq. appearing on behalf of Trainer Acosta was Timothy Steadman, Esq.

3.5 At the preliminary hearing, the Parties agreed to an in-person hearing on December 4, 2025, in Albuquerque, New Mexico, as well as to dates for the pre-hearing briefs.

3.6 Trainer Acosta submitted his pre-hearing brief on November 6, 2025, but did not submit witness statements as directed in the Scheduling Order by the November 6, 2025, deadline. HIWU objected. Trainer Acosta eventually submitted witness statements on December 1, 2025.

3.7 HIWU submitted its timely pre-hearing brief, witness list, and evidence, as directed in the Scheduling Order by the November 20, 2025, deadline.

3.8 On November 25, 2025, a Revised Procedural order was issued changing the hearing to a Zoom hearing rather than an in-person hearing, with the consent of the Parties.

3.9 The hearing was held via Zoom on December 4, 2025. The Arbitrator admitted all the submitted exhibits, and heard the testimony of four witnesses: Brian Bennett, an investigator employed by HIWU; Trainer Carlos Acosta; Owner Karina Gonzalez; and Dr. Daniel Eichner, an expert witness for HIWU. Each Party had a full and fair opportunity to examine or cross-examine each of the witnesses.

3.10 After the Parties completed their presentations of evidence and closing arguments and confirmed that they had no additional evidence to submit for consideration by the Arbitrator in reaching a resolution of this matter, the arbitration Hearing was adjourned and concluded on December 4, 2025. Before adjourning, the Arbitrator announced that the evidence was closed.

3.11 Upon the adjournment of the hearing, and the closing of the evidence, the Arbitrator

commenced writing this Final Decision, requested a brief extension which the Parties granted, and timely issued this Final Decision.

IV. JURISDICTION

4.1 The Horseracing Integrity and Safety Act of 2020, 15 U.S.C. §§ 3051-3060 (the “Act”) recognizes HISA, a private non-profit organization for “purposes of developing and implementing a horseracing anti-doping and medication control program and a racetrack safety program for covered horses, covered persons, and covered horseraces.” 15 U.S.C. § 3052(a). The program contemplated by the Act is commonly referred to as the “ADMC Program.”

4.2 The ADMC Program, initially proposed by the Authority under the Act, was approved by the Federal Trade Commission on March 27, 2023, and implemented on May 22, 2023.

4.3 The ADMC Program sets out the applicable rules (“Rules”) that govern this Arbitration and the jurisdictional grounds of the Panel over all participants. Rule Series 1000 contains general provisions, including Rules relating to interpretation and definitions. Rule Series 3000 establishes the Equine Anti-Doping and Controlled Medication Protocol. Rule Series 7000, Arbitration Procedures, establishes a disciplinary process for hearing and adjudicating violations of the Rules and related offenses.

4.4 Pursuant to its authority under the Act, HISA entered into an agreement with the Agency “to act as the anti-doping and medication control enforcement agency . . . for services consistent with the [ADMC Program].” 15 U.S.C. § 3054(e)(1)(B).

4.5 Rule 3020 provides, in pertinent part, that the anti-doping rules set out in the ADMC Program apply to and are binding on Covered Persons.

4.6 Covered Persons are defined under Rule 1020 as follows:

. . . all Trainers, Owners, Breeders, Jockeys, Racetracks, Veterinarians, Persons licensed by a State Racing Commission, and the agents, assigns, and employees of such Persons; any other Persons required to be registered with the Authority; and any other horse support personnel who are engaged in the care, treatment, training, or racing of Covered Horses.

4.7 “Covered Persons” must register with the Authority. However, they are bound by the Protocol by undertaking the activity (or activities) that make(s) them a Covered Person, whether or not they register with the Authority.

4.8 ADMC Program Rule 3030(a) defines a “Responsible Person” to mean: “the Trainer of the Covered Horse.”

4.9 In this matter, there is no dispute that Trainer Acosta is a trainer who is required to be—and is—registered with the HISA. As such, Trainer Acosta is both a “Responsible Person” and a “Covered Person” bound by and subject to the ADMC Program. There is further no dispute that

Storm Leader and Tucum are “Covered Horses.”

4.10 The Rule 7000 Series sets out the arbitration procedures governing a charged violation of the ADMC Program, providing as follows:

Rule 7010. Applicability

The Arbitration Procedures set forth in this Rule 7000 Series shall apply to all adjudications arising out of the Rule 3000 Series.

Rule 7020. Delegation of Duties

(a) Subject to Rule 3249, Anti-Doping Rule Violations arising out of the Rule 3000 Series and violations of Rule 3229 (together, “EAD Violations”) shall be adjudicated by an independent arbitral body (the “Arbitral Body”) in accordance with the Rule 3000 Series and these Arbitration Procedures. The Arbitral Body may also adjudicate any other matter referred to it under the Protocol, and any other matter that might arise from time to time under the Protocol that the Agency considers should be determined by the Arbitral Body. . .

4.11 Where HIWU issues a Charge Letter effecting charges on a Covered Person, arbitral proceedings are initiated pursuant to Rule 7060:

Rule 7060. Initiation by the Agency

(a) EAD Violations. Unless Rule 3249 applies, if the Agency charges a Covered Person with an EAD Violation, the Agency shall initiate proceedings with the Arbitral Body. If a Covered Person is charged with both an EAD Violation and an ECM or Other Violation, the procedures for EAD Violations apply. The parties to the proceeding shall be the Agency and the Covered Person(s) charged. The Owner and the Authority shall be invited to join in the proceedings as observers and, if accepted as such, receive copies of the filings in the case. In the context of EAD 6 Violation cases, the Owner may be permitted to intervene and make written or oral submissions.

4.12 In this case, arbitration proceedings were commenced before JAMS, the designated arbitration provider. Trainer Acosta had notice of the charges against him. The Parties have fully participated in this Arbitration without any objection to the Arbitrator’s jurisdiction or the arbitrability of any issues raised in this arbitration, including all issues related to the Presence charges.

4.13 The Arbitrator concludes, without objection, that the Arbitrator has jurisdiction over the charge at issue in this matter. See Rule 7090 (arbitrator has authority to rule on her jurisdiction; party must object to challenge jurisdiction).

V. RELEVANT LEGAL STANDARDS

5.1 This Arbitration involves two ADRV charges. As detailed above, it is undisputed that under the ADMC Program, Trainer Acosta is a Covered Person and a Responsible Person. What follows is a summary of the relevant legal standards, but additional authority may be set out, where relevant, in connection with the legal discussion elsewhere in this Final Decision.

5.2 The burden of proof depends on the nature of the alleged ADRV. Rule 3121 provides as follows:

Rule 3121. Burden and Standard of Proof

(a) The Agency shall have the burden of establishing that a violation of the Protocol has occurred to the comfortable satisfaction of the hearing panel, bearing in mind the seriousness of the allegation that is made. This standard of proof in all cases is greater than a mere balance of probability (i.e., a preponderance of the evidence) but less than clear and convincing evidence or proof beyond a reasonable doubt.

(b) Where the Protocol places the burden of proof on a Covered Person to rebut a presumption or to establish specified facts or circumstances, the standard of proof shall be by a balance of probability (i.e., a preponderance of the evidence), except as provided in Rules 3122(c) and 3122(d).

5.3 Regarding interpreting the Protocol, Rule 3070 provides in pertinent part:

(b) Subject to Rule 3070(d), the Protocol shall be interpreted as an independent and autonomous text and not by reference to existing law or statutes. . .

(d) The World Anti-Doping Code and related International Standards, procedures, documents, and practices (WADA Code Program), the comments annotating provisions of the WADA Code Program, and any case law interpreting or applying any provisions, comments, or other aspects of the WADA Code 7 Program, may be considered when adjudicating cases relating to the Protocol, where appropriate.

5.4 Rule 3040 sets out certain obligations of a trainer, such as Trainer Acosta, as both a Covered Person and a Responsible Person, in pertinent part as follows:

(a) Responsibilities of All Covered Persons

It is the personal responsibility of each Covered Person: (1) to be knowledgeable of and to comply with the Protocol and related rules at all times. All Covered Persons shall be bound by the Protocol and related rules, and any revisions thereto, from the date they go into effect, without further formality. It is the responsibility of all Covered Persons to familiarize themselves with the most up-to-date version of the Protocol and related rules and all revisions thereto; . . .

5.5 Rule 3212, Presence of a Banned Substance, states:

(a) It is the personal and non-delegable duty of the Responsible Person to ensure that no Banned Substance is present in the body of his or her Covered Horse(s). The Responsible Person is therefore strictly liable for any Banned Substance or its Metabolites or Markers found to be present in a Sample collected from his or her Covered Horse(s). Accordingly, it is not necessary to demonstrate intent, Fault, negligence, or knowing Use on the part of the Responsible Person in order to establish that the Responsible Person has committed a Rule 3212 Anti-Doping Rule Violation.

(b) Sufficient proof of a Rule 3212 Anti-Doping Rule Violation is established by any of the following:

(1) the presence of a Banned Substance or its Metabolites or Markers in the Covered Horse's A Sample where the Responsible Person waives analysis of the B Sample and the B Sample is not analyzed;

(c) The general rule is that the presence of any amount of a Banned Substance or its Metabolites or Markers in a Sample collected from a Covered Horse constitutes an Anti-Doping Rule Violation by the Responsible Person of that Covered Horse.

(d) As an exception to the general rule of Rule 3212(c), the Prohibited List, Standards, or Technical Documents may establish special criteria for the reporting or the evaluation of certain Banned Substances, including a Minimum Reporting Level, Screening Limit, Threshold, or Decision Limit.

5.6 Under Rule 3223, the consequences for a first ADRV related to Rule 3212 (presence) include two years of ineligibility, a fine up to \$25,000 or 25% of the purse (whichever is greater), and payment of some or all of the adjudication costs and the Agency's legal costs.

5.7 Where a Violation of the ADMC Program is established, the respondent may be entitled to a mitigation of the applicable consequences if the respondent establishes, on a balance of probabilities, that he acted with either No Fault or Negligence or No Significant Fault or Negligence.

5.8 Fault, in Rule 1020, is defined as:

“ . . . any breach of duty or any lack of care appropriate to a particular situation. Factors to be taken into consideration in assessing a Covered Person's degree of Fault include (but are not limited to) the Covered Person's experience and special considerations such as impairment, the degree of risk that should have been perceived by the Covered Person, and the level of care and investigation exercised by the Covered Person in relation to what should have been the perceived level of risk. With respect to supervision, factors to be taken into consideration are the degree to which the Covered Person conducted appropriate due diligence, educated, supervised, and monitored Covered Persons (including Veterinarians), employees, personnel, agents, and other Persons involved in any way with the care, treatment, training, or racing of his or her Covered Horses, and

created and maintained systems to ensure compliance with the Protocol. In assessing the Covered Person's degree of Fault, the circumstances considered must be specific and relevant to explain the Covered Person's departure from the expected standard of behavior. Thus, for example, the fact that the Covered Person would lose the opportunity to earn large sums of money during a period of Ineligibility, or the fact that the Covered Person or Covered Horse only has a short time left in a career, or the timing of the horseracing calendar, would not be relevant factors to be considered in reducing the period of Ineligibility based on degree of Fault."

5.9 "No Fault or Negligence" is governed by Rule 3224, which provides:

Rule 3224. Elimination of the Period of Ineligibility Where There is No Fault or Negligence

(a) If a Covered Person establishes in an individual case that he or she bears No Fault or Negligence for the Anti-Doping Rule Violation(s) charged, the otherwise applicable period of Ineligibility and other Consequences for such Covered Person shall be eliminated (except for those set out in Rule 3221(a) and Rule 3620) . . .

(b) Rule 3224 only applies in exceptional circumstances. In particular, it will not apply where the Banned Substance found to be present in a Sample: (1) came from a mislabelled or contaminated supplement; or (2) was administered to the Covered Horse by veterinary or other support personnel without the knowledge of the Responsible Person.

(c) A finding that the Covered Person bears No Fault or Negligence for an Anti-Doping Rule Violation shall not affect the Consequences of that violation that apply to the Covered Horse (i.e., Ineligibility in accordance with Rule 3222(a) and Disqualification of results in accordance with Rule 3221).

5.10 Under Rule 1020, "No Fault or Negligence" means "[t]he Covered Person establishing that he or she did not know or suspect, and could not reasonably have known or suspected, even with the exercise of utmost caution, that he or she had administered to the Covered Horse (or that the Covered Horse's system otherwise contained) a Banned Substance or a Controlled Medication Substance, or that he or she had Used on the Covered Horse a Banned Method or a Controlled Medication Method, or otherwise committed an Anti-Doping Rule Violation or Controlled Medication Rule Violation. For any violation of Rule 3212 or Rule 3312, the Covered Person must also establish how the Prohibited Substance entered the Covered Horse's system in order to establish No Fault or Negligence."

5.11 "No Significant Fault or Negligence" is governed by Rule 3225, which provides:

Rule 3225. Reduction of the Period of Ineligibility Where There is No Significant Fault or Negligence Reductions under this Rule 3225 are mutually exclusive and not cumulative, i.e., no more than one of them may be applied in a particular case. (a) General rule. Where the Covered Person establishes that he or she bears No Significant

Fault or Negligence for the Anti-Doping Rule Violation in question, then . . . the period of Ineligibility shall be fixed between 3 months and 2 years, depending on the Covered Person's degree of Fault. . . .

5.12 Under Rule 1020, "No Significant Fault or Negligence" means "the Covered Person establishing that his or her fault or negligence, when viewed in the totality of the circumstances and taking into account the criteria for No Fault or Negligence, was not significant in relationship to the Anti-Doping Rule Violation or Controlled Medication Rule Violation in question. For any violation of Rule 3212 or 3312, the Covered Person must also establish how the Prohibited Substance entered the Covered Horse's system in order to establish No Significant Fault or 10 Negligence."

5.13 For presence cases under Rule 3212 involving Albuterol in blood and hair, detection of any amount in a Sample (defined as "any biological material collected for the purposes of Doping Control or Medication Control, including urine, blood, and hair" collected from a Covered Horse constitutes an ADRV by the Responsible Person of that Covered Horse unless the Responsible Person proves that the Covered Horse was given the Albuterol as an inhaled bronchodilator after being prescribed the Albuterol by a Veterinarian (in the context of a valid veterinarian-patient-client relationship). Without such requisite proof, Albuterol is a Banned Substance.

5.14 Rule 4114(a) provides that S3 Beta-2 Agonists are prohibited at all times, except when "inhaled beta-2 agonists (e.g., albuterol, salbutamol) when prescribed by a Veterinarian (in the context of a valid veterinarian-patient-client relationship) as a bronchodilator;" Albuterol administered by any route other than inhalation is banned in all circumstances.

VI. THE PARTIES' CONTENTIONS AND CLAIMS FOR RELIEF

6.1 In their pre-hearing briefs and during the hearing, the Parties presented various arguments regarding their respective positions in this Arbitration, including each Party's positions regarding whether the Albuterol detected in the Samples of covered Horses Storm Leader and Tucum had been prescribed by a Veterinarian in the context of a valid veterinarian-patient-client relationship, and administered as an inhaled bronchodilator. The below summarizes the Parties' basic positions.

A. HIWU's Contentions

6.2 HIWU contends that it has met its burden to prove a Presence ADRV in both Covered Horses and to a comfortable satisfaction of the hearing panel because Albuterol, a Banned Substance, was found in the A hair and blood Samples of both Covered Horses, the Covered Horses' B Sample analysis was waived, and there was no proof it was administered in a permitted manner.

6.3 Trainer Acosta was the Responsible Person at the time of Sample Collection for each horse.

6.4 Trainer Acosta has not presented any actual veterinary medical and billing records, or any valid prescriptions or treatment records, to satisfy any of the requirements of Rule 4114(a). Further, no Albuterol treatments are reported in the HISA portal for these horses.

6.5 HIWU's expert, Dr. Eichner, explained that the Albuterol was undoubtedly administered under Trainer Acosta's watch as the Responsible Person, because the Albuterol was detected in both the hair and the blood, evidencing multiple administrations prior to detection:

(a) Given the way Albuterol metabolizes, the drug was administered at least two times to each horse after Trainer Acosta became the trainer of record for Tucum on January 26, 2025 and Storm Leader on March 13, 2025.

(b) Albuterol was administered once just hours before the test on April 22 (thus detectable in the blood) and then administered likely at least a week prior to sample collection (thus detectable in the hair).

(c) There is no way to determine the route, frequency or dose for any of the administrations.

6.6 Thus, Trainer Acosta has committed two separate ADRVs.

6.7 Rule 3223(a)(1) states that the periods of Ineligibility and financial penalties set out in Rule 3223 apply to the Covered Person's first doping offense.

6.8 Under Rule 3223, for each of his two ADRVs, Trainer Acosta faces a sanction period of two years, as well as a \$25,000 fine, costs, and disqualification of results, among other Consequences. Rule 3223(c)(2) requires that these periods of Ineligibility run consecutively, totaling 4 years.

6.9 To reduce his sanctions under Rules 3324 and 3325, Trainer Acosta must prove with evidence, first, the likely source of the Albuterol and second, that he is entitled to a finding of No Fault or Negligence, or No Significant Fault or Negligence.

6.10 HIWU contends that Trainer Acosta has provided no reliable evidence of how his two horses tested positive for Albuterol, a widely known horse- doping drug used to enhance performance. Without such evidence he is entitled to no reduction. Rule 3223(c)(2) mandates that sanctions for multiple Presence ADRVs run consecutively.

6.11 Here, if the Arbitrator determines that Trainer Acosta committed multiple ADRVs involving multiple Covered Horses, the Arbitrator must impose a two-year period of Ineligibility for each ADRV. Rule 3223(c)(1) requires that the Ineligibility period for the first violation start on the day it is imposed. At that point, Trainer Acosta will be "already serving" an Ineligibility sanction for the first violation. His period of Ineligibility for the second violation would not start until the day after he finishes the previous period of Ineligibility. Each two-year period of Ineligibility must be served consecutively, one after the other.

6.12 Trainer Acosta relies on *HIWU v. Michael Puype*, a Possession Case, to argue that there should only be one violation. This is a Presence case, and is distinguishable. Trainer Acosta has committed two Presence ADRVs involving two different horses.

6.13 Here, however, Trainer Acosta's Presence violations did not arise out of a single search, or a single Sample containing multiple banned substances taken from a single horse. These two ADRVs arose from two different Samples, taken from two different horses.

6.14 Thus, Rule 3223(c)(2) and existing ADMC Program precedent mandates consecutive sanctioning in Trainer Acosta's case.

6.15 Trainer Acosta has not shown that he is entitled to a finding of No Fault or Negligence, or in the alternative, No Significant Fault or Negligence, as it relates to both Covered Horses.

6.16 ADMC Program Rule 3224(a) requires, as a pre-condition to arguing No Fault or Negligence, that Mr. Acosta "establish how the Banned Substance entered the Covered Horse's system." Moreover, No Fault or Negligence is a very high standard (reserved for exceptional cases) requiring that a person exercise the "utmost caution" to prevent the ADRV.

6.17 Trainer Acosta has put forth no actual credible evidence to support his claim that he followed Dr. Dixon's purported recommendation to administer the horses Albuterol via inhalation.

6.18 Trainer Acosta's evidence is that "he followed the recommendation of a licensed Veterinarian." However, he did not produce a statement from Dr. Dixon to support this claim, nor bring the Veterinarian himself to testify. Ms. Gonzalez told HIWU that the horses had been intentionally sabotaged by contamination during the testing, an inconsistency with her testimony that a Veterinarian had prescribed the Albuterol.

6.19 Trainer Acosta provided no details about who administered Albuterol to the horses, when this unknown person administered the Albuterol, or the circumstances surrounding the administration, other than that he assumed a groom administered the Albuterol.

6.20 Trainer Acosta is not entitled to a reduction in sanction as he has not met his threshold burden to establish source as required by Rule 3224 or Rule 3225.

6.21 Like Rule 3224, Rule 3225 requires that Trainer Acosta establish on the evidence that he is entitled to a finding of No Significant Fault or Negligence. As this is a Presence case, Trainer Acosta must "establish how" the Albuterol entered each horses' system to establish his entitlement to a finding of No Significant Fault or Negligence.

6.22 Trainer Acosta has produced no evidence to explain what actually happened in the circumstances surrounding administration to Storm Leader and Tucum. Therefore, the default sanctions of 2-years must apply for each ADRV.

B. Trainer Acosta's Contentions

6.23 An inhaled S3 Beta-2 agonist, such as Albuterol, is not a banned substance. Rather, the Technical Document identifies Albuterol as a controlled substance when administered via inhalation. Technical Document Because the Technical document imposes special criteria for the evaluation of Albuterol - namely, that it is a controlled substance when administered via inhalation - HIWU cannot meet its burden simply by demonstrating the presence of Albuterol in the blood or hair of Storm Leader and Tucum.

6.24 Albuterol also is not prohibited at all when prescribed by Veterinarian in the context of a valid veterinarian patient-client relationship and administered via inhalation. Rule 4114.

6.25 Here, the owner of the horses, Karina Gonzalez, requested that her veterinarian, Lane Dixon, examine Storm Leader, Tucum, and her other horses. Dr. Dixon is a licensed veterinarian. Dr. Dixon personally examined the horses and determined that Storm Leader and Tucum suffered from exercise-induced pulmonary hemorrhage. Using his own judgment, Dr. Dixon decided to prescribe Albuterol to Storm Leader and Tucum, to be administered via inhalation. Dr. Dixon remained available to provide any necessary follow up treatment.

6.26 There was a valid veterinarian-client patient relationship between Dr. Dixon, Owner Gonzalez, and Trainer Acosta. In essence, a valid relationship exists when a veterinarian conducts a reasonable examination of a horse and then uses his or her own medical judgment to determine the appropriate course of care and treatment. Rule 2221(a)(1)-(6).

6.27 Dr. Dixon examined Storm Leader and Tucum and recommended that the horses be treated with Albuterol via inhalation. Trainer Acosta, in conjunction with the owner, accepted the recommendation and proceeded to treat the horses with the prescribed Albuterol, via inhalation.

6.28 Even if a violation is found, Acosta does not bear any fault. When a trainer establishes that they do not bear any fault or negligence for a violation, the penalties against the trainer are eliminated. Rule 3224(a).

6.29 Although this defense applies only in exceptional circumstances, this is an exceptional case. Acosta is charged with following the advice of a licensed Veterinarian and administering a medication that is allowed by the rules in the manner allowed by the rules. Under these circumstances, Acosta could not have known that he had administered a banned substance to Storm Leader or Tucum by following Dr. Dixon's recommendation to give the horse Albuterol via inhalation.

6.30 If a violation is found, Mr. Acosta has no significant fault, and the penalty should be reduced. Even if there is some fault, Acosta certainly bears no significant fault or negligence. The period of ineligibility can be reduced to between 3 months and 2 years depending on the degree of fault. The defense takes into account the totality of the circumstances.

6.31 Acosta was not objectively or subjectively at fault. He followed the recommendation of a

licensed veterinarian to provide a medication allowed by the Rules. Any fault that can be attributed to Acosta is slight. HIWU's proposed punishment does not fit the crime. When trainers have been caught administering Albuterol too close to a race, they have been fined \$1,000.00 and given a seven-day suspension.

VII. CONCLUSION

7.1 The Arbitrator has considered all of the facts, allegations, legal arguments, evidence, and testimony submitted by the Parties in this Arbitration. When explaining the reasons supporting this Final Decision, however, this section necessarily refers only to the evidence and law that the Arbitrator relied upon in reaching this Final Decision.

7.2 On April 22, 2025, Storm Leader and Tucum, two Covered Horses were subject to Out-Of-Competition testing. Hair Samples and blood Samples were collected from each Covered Horse.

7.3 Trainer Acosta was the trainer for the two horses and the Responsible Person at the time of the testing.

7.4 HIWU submitted the hair Samples and blood Samples to Industrial Laboratories ("Industrial") in Denver, Colorado for analysis. Industrial analyzed the A Samples according to the Equine Standards for Laboratories and Accreditation and reported Adverse Analytical Findings ("AAF") for Albuterol after confirming its presence in both blood and hair for each horse.

7.5 Rule 3212(a) sets forth a strict liability standard for a Covered Person, like Trainer Acosta, to ensure that no banned substances are present in a Covered Horse.

7.6 There is no dispute that Albuterol was present in two of Trainer Acosta's horses, Storm Leader and Tucum.

7.7 HIWU has met its burden, under Rule 3212, to show the Presence of Albuterol in the two Covered Horses.

7.8 Trainer Acosta has not met his burden to show lawful, Veterinarian-directed treatment of Storm Leader and Tucum with Albuterol. The testimony by Owner Gonzalez and Trainer Acosta that Veterinarian Dr. Dixon prescribed Albuterol was unsupported by any medical records or prescription, or the statement or testimony of the Veterinarian. The only piece of evidence that Trainer Acosta provided was a single email that purported to be from Veterinarian Dixon that claims that Storm Leader and Tucum had been prescribed albuterol due to exercise-induced pulmonary hemorrhage. Trainer Acosta did not provide a statement from Dr. Dixon, or testimony from Dr. Dixon to verify that the email was actually written and sent by him. Trainer Acosta has not met his burden under Rule 4114(a).

7.9 HIWU has established two separate Presence ADRVs by trainer Acosta in violation of Rule 3212 to the comfortable satisfaction of the Arbitrator.

7.10 Because HIWU has met its burden of establishing two ADRVs under Rule 3212, the Arbitrator next considers whether Trainer Acosta is entitled to a reduction in sanctions under Rule 3224 or Rule 3225. As a threshold matter, the Arbitrator finds that Trainer Acosta has failed to show, by a balance of probabilities, “how the Prohibited Substance entered the Covered Horse’s system” for either covered Horse.

7.11 The Rules expressly place the burden on the Covered Person to establish how the Prohibited Substance entered the horse’s system. The entirety of Trainer Acosta’s evidence here is that “he followed the recommendation of a licensed Veterinarian.” However, again, he has not produced a statement from Dr. Dixon to support this claim, nor subpoenaed the Veterinarian himself to testify.

7.12 Further, Trainer Acosta provided no details about who administered albuterol to the horses, or when how. Trainer Acosta has produced no evidence to explain what actually happened in the circumstances surrounding administration to Storm Leader and Tucum.

7.13 Under the ADMC Program, the definition of No Fault or Negligence and No Significant Fault or Negligence state that, “[f]or any violation of Rule 3212 or 3312, the Covered Person must also establish how the Prohibited Substance entered the Covered Horse’s system.” The Rules thus require that Trainer Acosta establish, by a balance of probabilities, “how the Prohibited Substance entered the Covered Horse’s system” to receive any reduction in sanction based on degree of fault. Where, as here, source has not been established by a balance of probabilities, the ADMC Program requires the imposition of a two (2) year period of Ineligibility for each violation.

7.14 Accordingly, I conclude that Trainer Acosta cannot benefit from mitigated consequences since he has failed to prove how Albuterol entered Storm Leader’s or Tucum’s system. Therefore, his sanction stands at two (2) years of Ineligibility for each violation.

7.15 Under the ADMC Program, the punishment for a first offense ADRV includes, in addition to a period of Ineligibility, a “Fine of up to \$25,000 . . . and Payment of some or all of the adjudication costs and the Agency’s legal costs.” Rule 3223(b).

7.16 HIWU requests that the Arbitrator impose a fine of up to \$25,000 per violation here.

7.17 The Arbitrator determines based on the specific facts and circumstances of this case, the fine should be set at \$12,500 per violation, for a total of \$25,000, to be paid by the end of the period of Ineligibility.

7.18 HIWU has not stated that it is seeking to recover a contribution to its legal fees. The Arbitrator declines, in the Arbitrator’s discretion and consistent with the intent and spirit of the Rules and the ADMC Program, to engage in fee-shifting of any adjudication or legal costs. The Arbitrator concludes that the consequences so ordered are sufficient, adequate and appropriate

given the circumstances and nature of the ADRV in this case.

7.19 All other arguments by the Parties have been considered and rejected.

VIII. AWARD

8.1 On the basis of the foregoing facts, legal analysis, and conclusions, the Arbitrator renders the following decision:

- a. Trainer Acosta is found to have committed two first-offense ADRVs under Rule 3212 for the Presence of Albuterol in two horses: (1) Storm Leader, and (2) Tucum as described above. As a result:
 - i. Trainer Acosta shall be suspended for a period of Ineligibility of four (4) years, commencing on the date the Notice of Sanction is served on Trainer Acosta, unless a period of Ineligibility is already being served for another violation of the Protocol in which case the period of Ineligibility shall start to run the day after the original period of Ineligibility ends.
 - ii. Trainer Acosta shall be fined \$25,000 to be paid to HIWU by the end of the period of Ineligibility described above.
 - iii. Each Party shall bear its own costs and legal fees.
 - iv. There will be public disclosure of these findings in accordance with the ADMC Program Rules.

This Decision shall be in full and final resolution of all claims and counterclaims submitted to this arbitration. All claims not expressly granted herein are hereby denied.

IT IS SO ORDERED AND AWARDED.

Dated: December 24, 2025



Barbara A. Reeves, Arbitrator