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CFPB Likely to Step Back from Crypto Regulation

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Ethan Ostroff, a partner in Troutman Pepper Locke's Consumer Financial Services Practice Group, is quoted in the *Cointelegraph* article, "[CFPB Likely to Step Back from Crypto Regulation](#)."

The Consumer Financial Protection Bureau (CFPB) will likely see a reduced role in crypto regulations as other federal agencies like the Securities and Exchange Commission (SEC) and state-level regulators assume a bigger role in crypto policy, according to Ethan Ostroff, partner at the Troutman Pepper Locke law firm.

"I think with the current administration, my sense is, we are highly likely to see a significant pullback by the CFPB in the context of the activity by other regulators," Ostroff told *Cointelegraph* in an interview.

State regulators also have the authority under the Consumer Financial Protection Act (CFPA) to assume some of the regulatory roles of the CFPB, the attorney said, but he also added that some regulatory functions will continue to fall within the purview of the CFPB as a matter of established law.

Ostroff cited the New York Department of Financial Services (NYDFS) and the California Department of Financial Protection and Innovation (DFPI) as regulators to keep an eye on as potential leaders of crypto regulations at the state level.

However, the attorney clarified that while the CFPB may see a diminished role during the Trump administration, the agency would not be outright dismantled during the current regime due to "statutorily mandated obligations and requirements" that require acts of Congress to change.

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