

Troutman Pepper Locke Regulatory Oversight Newsletter – November 2025

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Please visit Troutman Pepper Locke's [Regulatory Oversight](#) blog to receive the most up-to-date information on regulatory actions and [subscribe](#) to our mailing list to receive a monthly digest.

Regulatory Oversight will provide in-depth analysis into regulatory actions by various state and federal authorities, including state attorneys general and other state administrative agencies, the Consumer Financial Protection Bureau (CFPB) and the Federal Trade Commission (FTC). Contributors to the blog will include attorneys with multiple specialties, including regulatory enforcement, litigation, and compliance.

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TROUTMAN PEPPER LOCKE SPOTLIGHT

State AG Investigations vs. Federal Investigations: Key Differences and How to Prepare for Both

By [Lu Reyes](#) and [John West](#)

[Register Here](#)

Monday, November 10 | 1:00–3:10 p.m. ET

Lu Reyes and John West, members of Troutman Pepper Locke's [Regulatory Investigations, Strategy + Enforcement practice](#), will participate in an upcoming CLE webinar with myLawCLE. They will discuss the difference in approaches between state attorney general (AG) investigations and federal enforcement actions.

[Read more](#)

Troutman Pepper Locke Attorneys Attend Annual Meeting on Government Investigations and Civil Litigation

By [Troutman Pepper Locke State Attorneys General Team](#)

Troutman Pepper Locke is proud to sponsor the Government Investigations & Civil Litigation Institute's 11th Annual Meeting in Santa Ana Pueblo, NM. RISE attorneys Lauren Fincher, Stephen Piepgrass, Ryan Strasser, Ashley Taylor, Amy Williams, and Nam Kang will attend, alongside White Collar Litigation Investigations attorneys Abbey Hazlett and Ghillaine Reid, and Health Care and Life Sciences Litigation attorney Mike Lowe.

[Read more](#)

AG Watch: Illinois A Key Player In State-Level Enforcement

By [Clayton Friedman](#), [Ashley L. Taylor, Jr.](#), and [Daniel Waltz](#)

This article is part of a [regular column](#) in which each installment features observations on one state's attorney general enforcement news and trends, and the compliance implications.

Since beginning his tenure in 2019, Illinois Attorney General Kwame Raoul has strategically positioned himself as a leading figure among Democratic state attorneys general.

[Read more](#)

Troutman Strategies Principal Robert Miller Named to USLege's Lobby Legends of the Year 2025 List

By [Troutman Pepper Locke](#)

AUSTIN – [Robert Miller](#), principal at Troutman Strategies, has been named to USLege's [Lobby Legends of the Year](#) list for 2025. The list recognizes individuals who have demonstrated consistent influence and credibility across multiple legislative sessions, possess deep institutional knowledge, and maintain trusted relationships across the political spectrum. Additionally, honorees are acknowledged for their role in mentoring and elevating the next generation of Texas lobbyists.

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NEW TEAM MEMBER

Matt Berns Joins Troutman Pepper Locke's RISE Practice and State AG Team

By [Troutman Pepper Locke State Attorneys General Team](#)

Matt Berns, former chief counsel to the New Jersey attorney general (AG) and deputy chief counsel to the New Jersey governor, and previously a trial attorney with the U.S. Department of Justice, has joined Troutman Pepper Locke's Regulatory Investigations, Strategy + Enforcement (RISE) practice and nationally recognized State AG team.

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REGULATORY OVERSIGHT PODCAST UPDATES

From Politics to PR: Navigating Crisis Management

By [Stephen C. Piepgrass](#)

In this episode of *Regulatory Oversight*, Stephen Piepgrass is joined by Zack Condry, co-founder of Watermark Strategies, to analyze the evolving landscape of crisis management and the critical role of strategic communication in navigating complex issues. They explore effective communication strategies, public relations, and the evolving role of AI in managing crises. Zack shares insights from his extensive experience in corporate communications and public affairs, from his background managing political campaigns to his current work developing digital strategies for high-profile clients.

[Read more](#)

AG LITIGATION UPDATES

California AG's Verdict in Consumer Protection Trial Upheld

By [Troutman Pepper Locke State Attorneys General Team](#) and [Lauren Hancock Miller](#)

On September 9, 2025, the Court of Appeal of the State of California upheld California Attorney General (AG) Rob Bonta's trial-court victory against a business and its owner for violations of California's unfair competition law (UCL) based on allegations of the illegal sale of credit insurance, which largely targeted the business's Latino immigrant customer base.

[Read more](#)

Illinois Department of Insurance Initiates Litigation Against State's Largest Insurer Over Failure to Produce Documents

By [Troutman Pepper Locke State Attorneys General Team](#) and [Mary Grace Metcalfe](#)

On October 10, 2025, Illinois Attorney General (AG) Kwame Raoul filed a lawsuit on behalf of Ann Gillespie, director of the Illinois Department of Insurance (the Department), against four different entities, all within the State Farm corporate umbrella. This lawsuit arises from State Farm's alleged refusal to comply with financial

examination warrants issued by Director Gillespie, which aim to force State Farm to disclose information about the policies it writes and the premiums it charges. As insurance regulation is a creature of state law, the Department's director oversees the enforcement and execution of all insurance laws in Illinois. Further, AG Raoul has authority to bring lawsuits on behalf of other Illinois state agencies.

[Read more](#)

LABOR + EMPLOYMENT UPDATES

New Jersey Attorney General and Department of Labor Receive Payment Under Lyft Settlement

By [Troutman Pepper Locke State Attorneys General Team](#)

On September 18, 2025, the New Jersey Department of Labor and Workforce Development (NJDOL) and the Office of the New Jersey Attorney General (AG) announced that Lyft had paid \$19,435,087.06 for allegedly misclassifying its employees as independent contractors.

[Read more](#)

Minnesota AG Ellison Reaches \$800,000 Settlement With Shipt on Worker Classification

By [Troutman Pepper Locke State Attorneys General Team](#)

On September 26, 2025, Minnesota Attorney General (AG) Keith Ellison [announced](#) a \$800,000 settlement with Shipt, Inc. (Shipt). The settlement resolves allegations that the company was misclassifying its workers (referred to as "Shoppers") as independent contractors instead of employees.

[Read more](#)

AI UPDATES

California Charts the Frontier With First Law Setting Reporting And Compliance Requirements For Powerful "Frontier AI Models"

By [Troutman Pepper Locke State Attorneys General Team](#)

On September 29, 2025, California Governor Gavin Newsom signed [Senate Bill 53](#), the Transparency in Frontier Artificial Intelligence Act, into law. The bill will go into effect on January 1, 2026. The act builds upon the recommendations found in the "[California Report on Frontier AI Policy](#)," which was released to the public on June 17, 2025. This report detailed key principles to guide the legislation drafting process, including grounding AI policy in empirical research and providing greater transparency into AI systems. Given that California is home to 32 of the top 50 AI companies worldwide, the state dominates the AI industry. It is no surprise that California is the first state to create rules promoting safety, transparency, and incident reporting for frontier models. This new act is expected to set the stage for similar AI legislation across the U.S.

[Read more](#)

GAMING UPDATES

Kalshi Sues Ohio Regulator Over Authority Dispute

By [Troutman Pepper Locke State Attorneys General Team](#) and [Zoe Schloss](#)

On October 7, 2025, Kalshi, a platform specializing in prediction market trading, filed a [lawsuit](#) against the Ohio Casino Control Commission (OCCC) and Ohio attorney general (AG), alleging that their regulatory actions overstep state authority. The complaint seeks to block enforcement of a cease-and-desist order that was issued by the OCCC in the spring, which accused Kalshi of “operating online sports gaming” and warned Ohio licensees that partnering with Kalshi could jeopardize their licensing status and integrity.

[Read more](#)

FTC UPDATES

States and FTC Partner to Bring Enforcement Action Against Allegedly Fraudulent Charity

By [Troutman Pepper Locke State Attorneys General Team](#)

The Federal Trade Commission (FTC) and 20 states reached a settlement with Kars-R-Us.com, Inc. (Kars) and its operators, Michael Irwin and Lisa Frank, related to an alleged national charity fraud scheme.

[Read more](#)

CYBERSECURITY UPDATES

Preparing For What DOD Cybersecurity Audits May Uncover

By [Michael Barnicle](#), [Peter Jeydel](#), [Bryan Williamson](#), [Hilary Cairnie](#), and [Bonnie Gill](#)

The U.S. Department of Defense released the final rule implementing the Cybersecurity Maturity Model Certification on Sept. 9.[1] Through the program, the DOD seeks to enhance protections for sensitive information.

[Read more](#)

TOBACCO UPDATES

28 State AGs Defend State ENDS Directory Laws in Amicus Brief to Fourth Circuit

By [Troutman Pepper Locke State Attorneys General Team](#), [Bryan Haynes](#), and [Michael Jordan](#)

On September 22, a group of 28 state AGs led by Iowa [filed an amicus brief](#) in *Vapor Technology Association v. Wooten* in support of North Carolina’s state directory law that prohibits the sale of electronic nicotine delivery system (ENDS) products or e-cigarettes that lack Food and Drug Administration (FDA) marketing authorization. According to the brief, 15 states have already enacted laws similar to North Carolina’s ENDS directory law, and another 25 states are considering such legislation.

[Read more](#)

FDA Pilot Program Will Fast-Track Certain Nicotine Pouch PMTAs

By [Bryan Haynes](#), [Agustin Rodriguez](#), and [Zie Alere](#)

In September, the U.S. Food and Drug Administration (FDA) [announced](#) the launch of a pilot program aimed at streamlining the agency's review of certain premarket tobacco product applications (PMTAs) for modern oral nicotine pouches.

[Read more](#)

Court Rules That Ohio AG Cannot Enforce FDA Premarket Authorization Requirements

By [Bryan Haynes](#) and [Nick Ramos](#)

An Ohio appellate court recently [affirmed](#) the dismissal of a case brought by the Ohio attorney general (AG) against Central Tobacco & Stuff Inc. (Central Tobacco), an e-cigarette retailer, in which the AG alleged that Central Tobacco sold e-cigarettes lacking FDA premarket authorization and violated the state's Consumer Sales Practices Act (CSPA) by failing to inform consumers about the lack of FDA authorization. *See State ex rel. Attorney Gen. Dave Yost v. Cent. Tobacco & Stuff Inc.*, 2025-Ohio-4613 (Ct. App.). This appears to be a novel use of a state consumer protection law, which most states have, to attempt to enforce the Federal Food, Drug, and Cosmetic Act (FDCA). The court concluded that federal law preempts Ohio's ability to enforce FDCA premarket authorization requirements through the CSPA. The court's decision may be relevant in other cases involving a state's attempt to enforce FDA premarket authorization requirements through their consumer protection laws.

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Stephanie Kozol, Senior Government Relations Manager – State Attorneys General, also contributed to this newsletter.

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