

# Troutman Pepper Locke Regulatory Oversight Newsletter – October 2025

## WRITTEN BY

Stephen C. Piepgrass | Michael E. Barnicle | Hilary S. Cairnie | Christopher Carlson | Joseph M. DeFazio | Lauren Morgan Fincher | William D. Foley, Jr. | Clayton S. Friedman | Bryan M. Haynes | Peter E. Jeydel | Michael S. Lowe | Brett Ashton Mason | Agustin E. Rodriguez | David M. Stauss | Callan G. Stein | Angelo A. Stio, III | Ashley L. Taylor, Jr. | Amy Pritchard Williams | Chris Willis | Michael Yaghi | Samuel E. "Gene" Fishel | Jeff P. Johnson | Warren F. Myers | Zie Alere | Jessica M. Birdsong | Ayana D. Brown | Blake R. Christopher | Bonnie Gill | Nick C. Gouverneur | Troy C. Homesley | Michael B. Jordan | Namrata Kang | Michael A. Lafleur | Philip D. Nickerson | Lane R. Page | Dascher Pasco | Nicholas Ramos | Kyara M. Rivera Rivera | Zoe Schloss | Timothy Shyu | Trey Smith | Daniel Waltz | Cole White | Bryan R. Williamson

Make sure to 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.

## In This Issue:

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## TROUTMAN PEPPER LOCKE SPOTLIGHT

**Compliance and Enforcement in Consumer Financial Services: Navigating the Changing Landscape of**

## Federal and State Oversight

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

[Register Here](#)

**Wednesday, October 29 | 1:00 – 3:10 p.m. ET**

Mike Yaghi and Lane Page, members of Troutman Pepper Locke's [State Attorneys General practice](#), along with Stefanie Jackman, Chris Willis, and Caleb Rosenberg from the [Consumer Financial Services practice](#), will participate in an upcoming CLE webinar with myLawCLE. They will analyze the evolving roles and enforcement priorities of federal and state regulatory agencies, focusing on their impact on consumer financial services.

[Read more](#)

## Representing One to Help Millions

By [Timothy McHugh](#)

Tim McHugh, a partner in Troutman Pepper Locke's Richmond, VA office, was featured and quoted in the article "[Representing One to Help Millions](#)," the cover story of the October 2025 issue of *Virginia Lawyer* magazine. The article highlights Tim's pro bono work alongside David J. DePippo, managing counsel at Dominion Energy. Both men recently received the Military and Veterans Law Pro Bono Award from the Virginia State Bar Military and Veterans Law Section after successfully arguing before the United States Supreme Court in the case of *Rudisill v. McDonough*.

[Read more](#)

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## REGULATORY OVERSIGHT PODCAST UPDATES

### New York's FAIR Act: A Game-Changer for Regulatory Enforcement and Litigation

By [Stephen C. Piepgrass](#), [Joseph DeFazio](#), [William D. Foley, Jr.](#), [Chris Willis](#), and [Michael Yaghi](#)

In this crossover episode of *The Consumer Finance Podcast* and *Regulatory Oversight*, Chris Willis is joined by Joseph DeFazio, Bill Foley, and Michael Yaghi to discuss the implications of New York's FAIR Act, a significant amendment to the state's UDAAP statute.

[Read more](#)

### State AGs' Continued Focus on Enforcement – With or Without AI Legislation

By [Stephen C. Piepgrass](#), [Brett Mason](#), [Chris Carlson](#), and [Gene Fishel](#)

In this crossover episode of *The Good Bot* and *Regulatory Oversight*, Brett Mason, Gene Fishel, and Chris Carlson discuss the latest state laws targeting AI, especially in health care.

[Read more](#)

### Solicitors General Insights: The Art of Oral Advocacy With Michigan and New Jersey

By [Stephen C. Piepgrass](#) and [Jeff Johnson](#)

In this episode of our special *Regulatory Oversight: Solicitors General Insights* series, RISE Counsel Jeff Johnson, a former deputy solicitor general in the Missouri Attorney General's office, welcomes Michigan Solicitor General Ann Sherman and New Jersey Solicitor General Jeremy Feigenbaum. They explore the art of oral advocacy, sharing insights into how they effectively present cases.

[Read more](#)

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## GOVERNMENT CONTRACTS UPDATES

### **Government Contractors and the Fall 2025 Government Shutdown: Risk Management and Best Practices**

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

*Shutdown, again.* This advisory helps contractors manage operations during this period.

[Read more](#)

### **What to Expect When the New CMMC Final Rule Hits Defense Acquisitions on November 10**

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

On September 10, the U.S. Department of Defense (DOD) posted its final rule implementing the Cybersecurity Maturity Model Certification (CMMC) program for defense acquisitions. This new rule (acquisition rule) updates the Defense Federal Acquisition Regulation Supplement (DFARS) and imposes new cybersecurity requirements on defense contractors who handle (store, process, or transmit) sensitive information during contract performance.

[Read more](#)

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## FTC UPDATES

### **Amazon Settles FTC Lawsuit, Highlighting Regulatory Scrutiny of Subscription Practices**

By [Clayton Friedman](#), [Namrata Kang](#), and [Zoe Schloss](#)

On September 25, 2025, Amazon agreed to pay \$2.5 billion to settle claims brought by the Federal Trade Commission (FTC) alleging that the company misled consumers into signing up for Prime memberships and made it difficult for them to cancel.

[Read more](#)

### **FTC and Utah Settle UDAP Claims Against Online Adult Content Provider**

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

The Federal Trade Commission (FTC) and the Utah Department of Commerce's Division of Consumer Protection (Division), represented by the Office of the Utah Attorney General (AG), recently announced a proposed consent order with Aylo, the company that owns and operates pornography websites, including Pornhub.com and

Redtube.com.

[Read more](#)

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## FALSE CLAIMS ACT UPDATES

### What's Next in False Claims Act Enforcement

By [Michael S. Lowe](#), [Amy Pritchard Williams](#), [Callan G. Stein](#), and [Ayana Brown](#)

Over time, plaintiffs of all types have sought to harness the power of the False Claims Act (FCA)'s qui tam provision by bringing civil lawsuits even where government prosecutors have declined to pursue the case. And although the wartime conditions that initially prompted the passage of the FCA are now long gone, plaintiffs continue to take full advantage of the FCA's qui tam provision.

[Read more](#)

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## GAMING UPDATES

### Massachusetts AG Sues Kalshi, Highlighting Unresolved Questions About Predictive Market Contracts

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

Massachusetts Attorney General (AG) Andrea Joy Campbell recently filed a [lawsuit](#) in Suffolk Superior Court against KalshiEX LLC (Kalshi), an online prediction market platform, alleging that the platform runs an illegal sports wagering operation without an appropriate license in Massachusetts.

[Read more](#)

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## PRIVACY UPDATES

### California Privacy Protection Agency Announces Multistate Sweep Targeting GPC Compliance

By [Troutman Pepper Locke State Attorneys General Team](#), [David Stauss](#), and [Angelo A. Stio III](#)

On September 9, the California Privacy Protection Agency (CPPA) [announced](#) that it has initiated a joint regulatory sweep in collaboration with attorneys general (AG) from California, Colorado, and Connecticut.

[Read more](#)

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## ARTIFICIAL INTELLIGENCE UPDATES

### What Businesses Need to Know: Colorado's First-in-the-Nation AI Act Diverges From Federal Approach to Disparate Impact

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

Colorado lawmakers held a special session that culminated in a decision to delay the implementation of the Colorado Artificial Intelligence Act (CAIA) until June 30, 2026, extending the timeline beyond its original February

2026 start date.

[Read more](#)

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## MARKETING + ADVERTISEMENT UPDATES

### New York’s “Stop Hiding Hate” Act: What It Means for Social Media Companies

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

On October 2, New York Attorney General (AG) Letitia James announced that, in accordance with the “Stop Hiding Hate” Act, social media companies are now required to report their content moderation policies to her office, with first reports due no later than January 1, 2026.

[Read more](#)

### Illinois AG Settles Alleged Deceptive Practices, Banning Alternative Retail Electric Supplier From State and Securing \$8.4M in Restitution

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

On September 5, Illinois Attorney General (AG) Kwame Raoul announced the resolution of ongoing litigation against Clearview Electric Inc., an alternative retail electric supplier accused of engaging in fraudulent, unfair, and deceptive business practices.

[Read more](#)

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## TOBACCO AND NICOTINE UPDATES

### California Finalizes Unflavored Tobacco List Regulations

By [Bryan Haynes](#) and [Zie Alere](#)

In August, the California Department of Justice (DOJ) [finalized regulations](#) to implement California’s unflavored tobacco list (UTL) law, enacted in 2024. The new regulations include detailed filing requirements for manufacturers and importers to have their tobacco products legally sold in California.

[Read more](#)

### Feds Seize Illegal E-Cigarettes Worth Millions

By [Bryan Haynes](#), [Agustin Rodriguez](#), and [Nick Ramos](#)

The U.S. Food and Drug Administration and U.S. Customs and Border Protection have once again [seized](#) unauthorized e-cigarettes in Chicago, but this time the estimated retail value was \$86.5 million — the largest seizure of its kind.

[Read more](#)

## Drawback Claims Are Increasingly a Boon for Cigarette Importers

By [Bryan Haynes](#), [Agustin Rodriguez](#), and [Michael Jordan](#)

Importers of smoking tobacco products, particularly cigarettes, are increasingly saving millions in federal excise taxes by employing a refund mechanism known as the “drawback.”

[Read more](#)

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## CANNABIS UPDATES

### Balancing Innovation and Compliance: How Technology Is Transforming the Cannabis Industry

By [Cole White](#)

The cannabis industry is evolving rapidly, and technology is at the center of this transformation. State-licensed operators are deploying automation tools, robotics, and artificial intelligence (AI) to improve efficiency, reduce costs, and strengthen compliance. However, innovation in this space comes with unusual challenges. Cannabis remains federally illegal, which restricts financial services, complicates interstate commerce, and subjects businesses to a patchwork of state-specific rules.

[Read more](#)

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

*Our Cannabis Practice provides advice on issues related to applicable federal and state law. Marijuana remains an illegal controlled substance under federal law.*

## RELATED INDUSTRIES + PRACTICES

- [Artificial Intelligence](#)
- [Cannabis](#)
- [Consumer Financial Services](#)
- [False Claims Act + Other Whistleblower Actions](#)
- [Federal Trade Commission \(FTC\)](#)
- [Gaming](#)
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