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Troutman Pepper Releases Report on Digital Asset Sector

Report Highlights Impactful Regulation and Legislation, Guidance on Compliance with Federal and State Laws

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NEW YORK – Following a year of incredible resilience for the digital asset industry, Troutman Pepper’s Digital Assets + Blockchain Group today released a report: [Will Resiliency Carry the Digital Asset Sector Through 2024?](#) The comprehensive report examines key state and federal actions and includes insights from the group’s attorneys on the legal trends and developments faced by those in the rapidly evolving industry.

Some of the impactful 2023 developments covered include:

- **Federal regulatory action:** the CFPB’s first official attempt to bring the digital asset industry within the scope of its supervisory authority.
- **State regulatory action:** a deeper examination of the states that enacted comprehensive digital asset licensing frameworks.
- **Federal legislation:** the introduction of several digital asset-related bills.
- **Federal enforcement actions:** the FTC’s continued focus on the marketing practices of digital asset financial services companies and any statements made by their executives to consumers.

“The digital asset industry’s staying power is best evidenced by the increased regulatory activity of the state legislatures and the federal agencies that we saw over the last year,” said Partner Ethan Ostroff of the firm’s Consumer Financial Services Practice. “Our report not only charts the current landscape but provides a map of the opportunities and challenges that are defining the industry. We actively guide our clients through these dynamic developments every day, ensuring they navigate with confidence and clarity.”

Troutman Pepper’s Digital Assets + Blockchain Group also offers forward-looking insights and guidance for companies and compliance officials participating in this evolving area. For example:

- State legislatures that have not finalized a digital asset legal framework will prioritize consumer protection from unfair, deceptive and/or abusive practices above all else.
- The Federal Reserve’s possible change of heart toward the future integration of digital assets and distributed ledger technology into the traditional financial system.
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What digital asset market participants should be asking if the CFPB's proposed rule to define a market for general-use digital consumer payment applications is finalized in its current form.

- Continued emphasis for businesses engaged in virtual currencies and novel technologies to incorporate a risk-based sanctions compliance strategy into their operational framework.

Troutman Pepper has a deep understanding of the digital asset market and assists clients with their unique and evolving needs. The firm offers a full suite of services in areas such as corporate, IP, data use, privacy, litigation, cybersecurity, and more, for both emerging growth and established clients, including financial institutions, domestic and international transmitters of fiat and digital currencies, domestic and international cryptocurrency exchanges, payment processors, mining companies, software creators, and other technology companies. Attorneys also guide investors, venture funds, and private equity firms, as well as their portfolio companies, as they explore and expand their opportunities. Troutman Pepper's Digital Assets + Blockchain Group is experienced with matters involving a variety of cryptocurrencies, web 3.0, blockchain technology, and other peer-to-peer distributed ledger technologies, including smart contract platforms.

About Troutman Pepper

Troutman Pepper is a national law firm with more than 1,100 attorneys strategically located in 20+ U.S. cities. The firm's litigation, transactional, and regulatory practices advise a diverse client base, from startups to multinational enterprises. The firm provides sophisticated legal solutions to clients' most pressing business challenges, with depth across industry sectors, including energy, financial services, health sciences, insurance, and private equity, among others. Learn more at troutman.com.

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