

# Legislative Update

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*2025 was a busy year for new state consumer law protections as the legislature was in regular session.*

# *Senate Bill 140, effective September 1, 2025, expanded the definition of a phone call for purposes of telemarketing.*

## **Solar Panels**

In response to the increase in deceptive solar panel transactions, the Texas Legislature passed Senate Bill 1036. Effective September 1, 2025, the new law preempts Tex. Bus. & Com. Chapter 601, extending the time to cancel the solar contract without penalty from 3 days to 5 days after the parties executed the contract.<sup>1</sup> Other changes include requiring the contract to include language stating that the electrical system work will be completed by a licensed electrician (including the license number of the electrician), specifying in the contract that either the solar retailer or electrician will obtain permitting for the project if required by law, and making financing terms more conspicuous.<sup>2</sup> On September 1, 2026, salespeople will be required to be registered with the Texas Department of Licensing and Regulation, and stricter advertisement requirements and specific sales tactics will be more regulated.<sup>3</sup>

## **Protections for identity theft victims**

Texas House Bill 4238 took effect on September 1, 2025, strengthening protections for identity theft victims.<sup>4</sup> The law does not apply if there is already a judgment nor does it apply for a home loan as defined by the Texas Finance Code. However, if a court has entered a judgment establishing the consumer as a victim of identity theft under Tex. Bus. & Com. Code chapter 521, the portion of the debt “that is a result of the identity theft described by the court order” can be disputed.<sup>5</sup> Once the creditor has notice that the consumer debt is a result of identity theft, the creditor: 1) must cease collections within seven business days, 2) send notice to everyone they reported the debt that the consumer debt is disputed and the victim of identity theft is not collectible, and 3) may not sell or transfer the debt, other than to collect from the perpetrator or someone else responsible who is not the victim of identity theft.<sup>6</sup> An exception applies if the debt is secured by tangible personal property, under Chapter 9, Bus. & Com. Code.<sup>7</sup> In such cases, the creditor may enforce the security interest but is prohibited from pursuing any deficiency collection against the victim of the identity theft.<sup>8</sup>

## **Telemarketing**

Senate Bill 140, effective September 1, 2025, expanded the definition of a phone call for purposes of telemarketing solicitation to include a text message or picture.<sup>9</sup> Phone numbers on the Texas No-Call list will include the laws expanded definition.<sup>10</sup> The statute is updated to be a tie-in statute to the Deceptive Trades and Practices Act, and a violation of the act is a “false and misleading or deceptive act or practice under Subchapter E” of the DTPA.<sup>11</sup>

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1 TEX. OCC. CODE § 1806.006 and § 1806.156.

2 TEX. OCC. CODE § 1806.155

3 TEX. OCC. CODE § 1806.201 and § 1806.208.

4 TEX. FIN. CODE § 392.308

5 *Id.*

6 *Id.*

7 *Id.*

8 *Id.*

9 TEX. BUS. & COM. CODE § 302.001

10 TEX. BUS. & COM. CODE § 304.052.

11 TEX. BUS. & COM. CODE § 304.2581.