

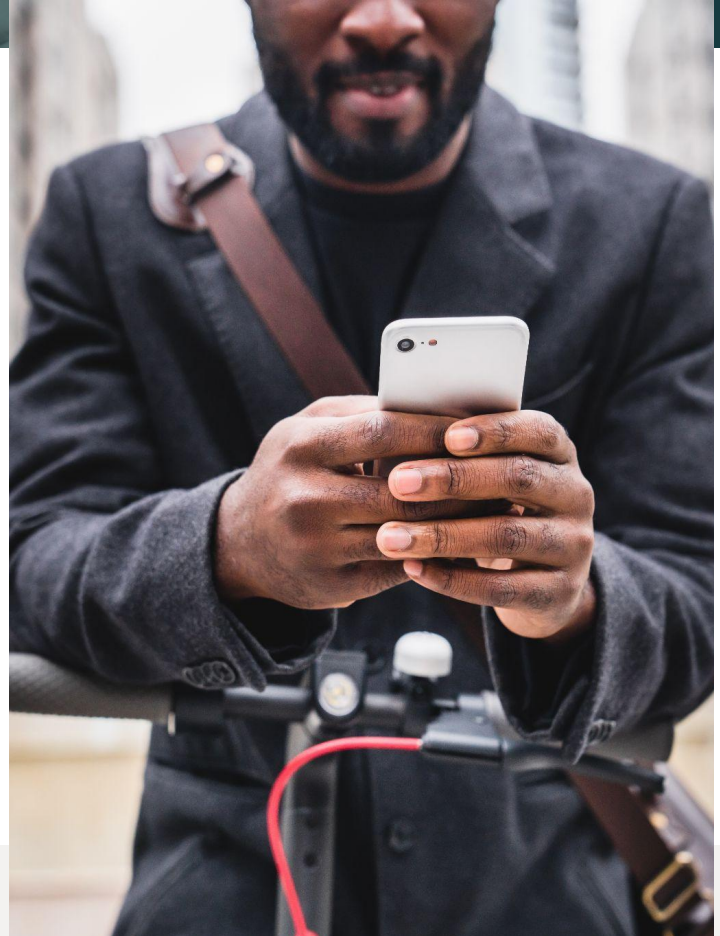
# Texas SB 140



## New Regulations on Text Message Marketing

On June 20, 2025, Texas Governor Greg Abbott signed Senate Bill 140 ("SB 140") into law, amending Chapters 302, 304, and 305 of the Texas Business & Commerce Code. The legislation significantly expands the state's telemarketing framework to explicitly cover SMS and MMS text messages, including text-based graphics and images.

The law applies to solicitations and follow-ups aimed at promoting goods or services. SB 140 is Effective as of September 1, 2025.



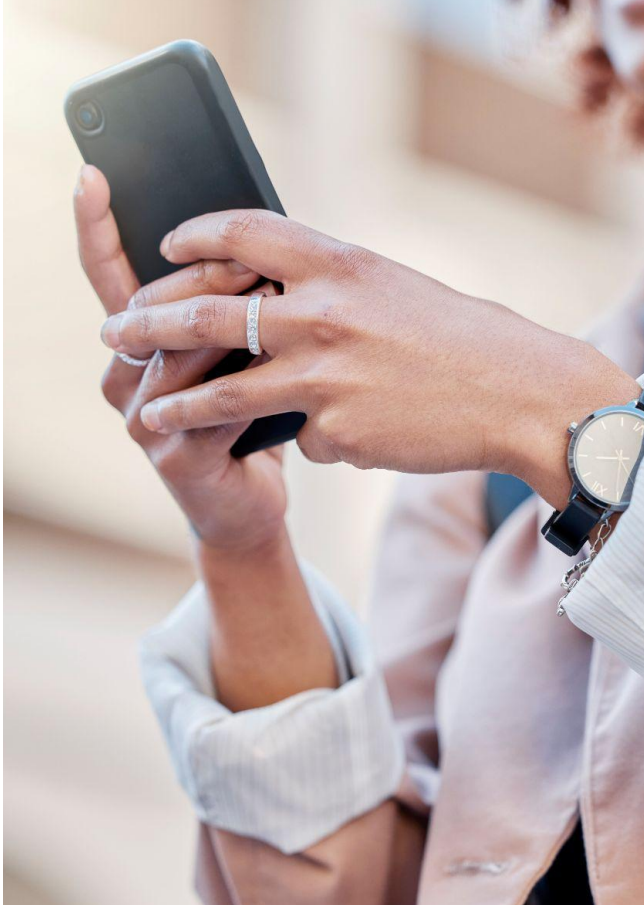
## What's New

SB 140 expands Texas telemarketing law to include texts, image-based messages, autodialer calls, and faxes, with "telephone solicitation" covering any promotion of goods or services, including follow-ups. Businesses sending marketing texts must **register with the Texas Secretary of State using Form 3401**, pay a \$200 fee, post a \$10,000 bond, and file quarterly sales reports; unregistered solicitation may constitute a Class A misdemeanor. Registration is required for each business location from which solicitations are made.

Marketing communications require prior express written consent, compliance with the Texas

No-Call List, a functioning opt-out mechanism, and adherence to quiet hours from 9 p.m. to 9 a.m. Solicitors must provide all required disclosures, and unsolicited messaging rules apply. Violations are actionable under the DTPA, with potential for treble damages, attorneys' fees, injunctive relief, and mental anguish damages, while the Attorney General and local prosecutors may also enforce.

Narrow exemptions exist for certain public companies, financial institutions, nonprofits, long-standing retailers, and communications with current or former customers, but businesses should evaluate these carefully.

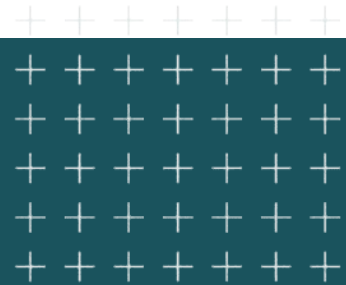


WHAT IT MEANS FOR YOU

Business Implications

Texas now imposes one of the most stringent state-level frameworks for text-based marketing. Companies engaging in SMS/MMS campaigns face expanded compliance obligations similar to the federal TCPA, heightened private litigation risk, potential criminal exposure for unregistered solicitation, and enforcement authority extending beyond the Attorney General's office.

Under Chapter 302, entities acting as "telephone solicitors" sending marketing texts must register with the Texas Secretary of State, pay the \$200 fee, post a \$10,000 bond, and file quarterly reports to avoid potential criminal liability. Registration is required for each business location from which solicitations are made. Businesses should also ensure all communications include prior written consent, opt-out instructions, and quiet-hour compliance, maintain proper records, and review vendor practices to mitigate regulatory and litigation risk.



ACTIONS TO TAKE

Recommended Compliance Measures

To mitigate risk, businesses should:

- 01. **Audit Communication Channels:** Review all SMS/MMS campaigns, image-based messaging, and automated systems for consent, opt-out processes, and do-not-call compliance.
- 02. **Registration is Required:** File Form 3401, pay the registration fee, and post the bond if the business qualifies as a "telephone solicitor."
- 03. **Update Messaging Practices:** Capture clear written consent, include opt-out instructions, and enforce quiet hours.
- 04. **Maintain Records:** Keep detailed records of consent, opt-outs, registration, and communications for at least four years.
- 05. **Staff Training:** Educate marketing, sales, and customer service teams on SB 140 obligations and litigation exposure.
- 06. **Vendor Oversight & Legal Counsel:** Verify third-party compliance, evaluate exemptions carefully, and align with federal TCPA rules if operating nationally.

CONTACT US

For More Information

(415) 735-5933

If your business engages in text message marketing to Texas residents, please contact one of Scale LLP's Texas-based attorneys to review your compliance obligations under SB 140 and help mitigate potential regulatory, civil, and criminal risks.



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