

Texas AG Wields Consumer Protection Law Against Tech Cos.

By **Mollie Bracewell and Ayla Syed** (February 6, 2026)

Texas Attorney General Ken Paxton has targeted technology companies and touted his own success against them.[1] Increasingly, Paxton is using the state's consumer protection law, the Texas Deceptive Trade Practices Act, or DTPA, as a key enforcement tool in applications well beyond traditional consumer protection.

Under Paxton, the state has expanded the reach of an already broad statute and used its flexibility to maximize the litigation risk to his technology company targets. This strategy is on display in lawsuits against Roblox, TikTok, Sony and others, and in publicly announced investigations into AI companies and social media platforms.[2]

Recent activity makes clear that the attorney general's aggressive use of the DTPA is only accelerating in 2026.

What is the DTPA?

Texas's consumer protection statute confers substantial investigative and enforcement powers on the attorney general, who can issue civil investigative demands and obtain presuit sworn written or oral testimony.[3] The attorney general can pursue lawsuits it deems in the public interest and seek injunctive relief and monetary penalties.

The penalties can be steep, with up to \$10,000 per violation or an enhanced penalty of up to \$250,000 if the conduct targeted elderly consumers.[4]

Why is Texas using the DTPA?

There are several aspects of the DTPA that make it an appealing enforcement tool and also create unique litigation risks for companies.

Broad Applicability, Broad Discretion

The statute broadly prohibits "false, misleading, or deceptive acts or practices in the conduct of any trade or commerce."[5] The statute authorizes the attorney general to pursue an action for any practice that's unlawful under the DTPA when it's "in the public interest."[6]

Using this broad language, the state asserts its prerogative to pursue a deceptive practice regardless of whether or not it implicates consumers or any consumer who relied upon, or was harmed by, the allegedly deceptive practice. In other words, under the attorney general's interpretation, the DTPA is a tool to police businesses for any general alleged deception. In practice for technology companies, the state's interpretation of the DTPA allows scrutiny of any public-facing content for deviation from a company's practices.

A DTPA violation can result from old, obscure or subjective statements — regardless of whether such a statement relates to consumers, reaches consumers or results in consumer reliance. For example, the state's petition against Roblox in *State of Texas v. Roblox Corp.*,



Mollie Bracewell



Ayla Syed

in the District Court of King County, Texas, filed in November 2025, includes allegations related to a 2009 blog post, 2013 Wired interview, and 2019 Digital Civility Panel, among others.[7]

The alleged deception includes a general description of Roblox as "a safe, moderated place" where "kids of all ages can safely interact," among other statements.[8] The state also alleges, as in many similar petitions, that "Texas is not required to allege injuries to bring claims seeking civil penalties under the DTPA." [9]

Juror-Friendly Narratives in Selected Venues

General allegations of deception yield compelling and simple narratives of corporate wrongdoing. The state's case can rest on a jury-friendly story that the technology company harmed the public and lied about it. The state's petitions preview that approach, with provocative language about so-called real and vivid dangers, such as the following:

- In Texas v. Roblox, the state said that Roblox is a "digital hellscape" with "very real monsters that [Roblox] knows are lurking on its platform,"[10] and that Roblox deceived parents while it "knowingly facilitated the sexual exploitation of teen and preteen children and the distribution of child sexual abuse material." [11]
- On Dec. 17, 2025, in Texas v. Sony Corp. of America, in the District Court of Nueces County, the state said that Sony Smart TVs are "mass surveillance system[s] sitting in millions of American living rooms," secretly "spy[ing]" on users,[12] and that consumers are "kept in the dark about what's happening in their own homes on Sony Smart TVs." [13]
- On Dec. 15, 2025, in Texas v. Hisense USA Corp., in the District Court of Comal County, the state said that Hisense Smart TVs are "Chinese-sponsored surveillance devices," with Texans as "data-harvesting prey for the People's Republic of China." [14]
- On Jan. 9, 2025, in Texas v. TikTok Inc., in the District Court of Galveston County, Texas, the state said that TikTok provides "virtually endless amounts of extreme and mature videos presented to minors as young as thirteen" and "an endless scroll of videos designed to hook users into a dreamlike state of content consumption." [15]

These narratives are likely to resonate in the venues where Texas has chosen to file DTPA cases. The state often files in less populous, rural counties, avoiding cities like Houston, Dallas, San Antonio or Austin (respectively, Harris, Dallas, Bexar and Travis counties). In a striking example, Texas filed its Roblox case in King County, which has a population of roughly 265.[16]

Astronomical Penalties

General allegations of deception can also yield enormous potential penalties. The attorney general can pursue penalties for statewide harm, untethered from the number of affected consumers or identified purchases. That statewide harm, particularly for technology companies that have popular platforms or widely used technology, can be abstract and exponential. But DTPA cases against technology companies tend to settle before penalties are litigated.

The Texas attorney general's broad DTPA claims have yielded historic settlements. For example, the state and Meta Platforms Inc. reached a \$1.4 billion settlement, announced in July 2024, based on claims involving biometric data practices and related allegedly deceptive statements.[17]

Texas described it as "the largest settlement ever obtained from an action brought by a single state." In May 2025, the state and Google reached a \$1.375 billion settlement on claims involving geolocation, incognito searches, and biometric data practices, and related allegedly deceptive statements.[18] For both Meta and Google, the Texas Office of Attorney General's broad DTPA claims with respect to biometric data even encompassed non-users.[19]

What Companies Should Expect

Texas's enforcement efforts are only accelerating. In the last three months, Texas brought DTPA claims against five television manufacturers (Sony, Samsung, Hisense, TCL and LG); an online health technology platform (Epic Systems Corp., owner of MyChart); and a gaming platform (Roblox), while announcing a DTPA investigation into Shein, an online fashion retailer.

Companies should know that, under the attorney general's expansive interpretation, DTPA claims are easily and readily added to other types of cases.

The state's Dec. 10 petition against Epic Systems — Texas v. Epic Systems Corp., in the District Court of Tarrant County, Texas — centers on alleged anticompetitive conduct but adds a DTPA claim based on deceptive practices related to advertisement and interaction with hospitals and healthcare providers — and nowhere mentions "consumers." [20] The state's inclusion of "extra" DTPA claims confirms their unique, strategic value as an enforcement tool.

Companies should keep in mind that any public-facing content — official disclosures, blogs, interviews or online posts alike — could be subject to scrutiny as a potential DTPA violation. Statements that the technology is "safe" or "privacy is protected" — even if intended as a reflection of corporate policies or priorities — could be a source of liability.

Finally, if faced with a DTPA action, companies should know that the attorney general's expansive application of the statute does create avenues for legal challenge. Companies faced with broad DTPA claims have successfully litigated jurisdiction, venue and injunctive relief.

Jurisdiction

Out-of-state companies may have a basis to challenge the state's jurisdiction to bring a DTPA case. LG filed a special appearance — a vehicle under Texas procedural rules for challenging personal jurisdiction — arguing that Texas failed to show any misstatements specific to Texas sufficient to give rise to personal jurisdiction.

After a hearing but before a ruling, the attorney general's office dismissed the case against LG without prejudice on Dec. 23.[21] On Jan. 9, 2025, in Google LLC v. Texas, Google succeeded with a similar jurisdictional argument before the Texas Court of Appeals for the Thirteenth District — though the lawsuit was later settled.[22]

Venue

Companies may have grounds to dispute venue selection. The state often alleges that a defendant has "done business" in the county based on the general availability of a technology platform.[23] TikTok successfully moved for a transfer of venue from Galveston to Travis County, arguing that the mere presence of users in Galveston on a "generally available online platform" was not enough under the DTPA.[24]

Ex Parte Temporary Restraining Orders

Some courts have checked the state's attempts to obtain ex parte temporary restraining orders in recent suits against television companies. Such a temporary restraining order is available under the DTPA, without notice to the company, if "there is "good cause to believe ... that such an emergency exists that immediate and irreparable injury, loss, or damage would occur as a result of such delay in obtaining a temporary restraining order." [25] But courts rejected such relief as to Samsung and TCL, though granted an ex parte temporary restraining order as to Hisense.

Finally, at least one company is testing the breadth of the state's interpretation of the DTPA. TikTok has been litigating whether its free platform constitutes a "good" or a "service" under the DTPA, arguing that its users are not "consumers" as defined by the statute.[26] An intermediate appellate court rejected TikTok's mandamus petition in a per curiam order on Jan. 8, 2026, but TikTok could still appeal to the Texas Supreme Court.[27] These statutory arguments, while challenging, have not yet been presented to, or decided by, the Texas Supreme Court.

The Texas attorney general has boasted of having "one of the largest and most aggressive privacy and technology-focused enforcement initiatives in the country,"[28] and this is borne out by the lawsuits and investigations underway. Technology companies should realize that the DTPA is central and critical to this enforcement initiative.[29]

Mollie Bracewell is a partner and Ayla S. Syed is an associate at Yetter Coleman LLP.

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[1] Texas Office of Attorney General, July 21, 2025 Press Release, available at <https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-leads-nation-protecting-americans-data-privacy-and-security-big-tech> (describing Texas as "the watchdog for the nation's privacy rights and freedoms").

[2] Id.

[3] Tex. Bus. & Com. Code § 17.60; id. § 17.61.

[4] See id. §17.47(c).

[5] Tex. Bus. & Com. Code § 17.46(a). The statute also prohibits a list of defined deceptive practices in Section 17.46(b). Individual consumers can pursue an action based upon a "specifically enumerated" deceptive practice "relied on by a consumer to the consumer's detriment." Id. § 17.50(a).

[6] Id. §17.47(a).

[7] See Pet. ¶¶116, 117, 120, Texas v. Roblox Corp., No. 2025-707 (King Cnty. Dist. Ct. Nov. 6, 2025), available at https://www.texasattorneygeneral.gov/sites/default/files/images/press/Petition_0.pdf.

[8] Id. ¶131.

[9] Id. ¶187 (citing cases).

[10] Id. at 2.

[11] Id.

[12] Pet. at 1, Texas v. Sony Corp. of Am., No. 2025DCV-5234-H (Nueces Cnty. Dist. Ct. Dec. 17, 2025), available at <https://www.texasattorneygeneral.gov/sites/default/files/images/press/Sony%20TV%20Petition%20Filed.pdf>.

[13] Id.

[14] Pet. ¶¶ 97–98, Texas v. Hisense USA Corp., No. C2025-1321D (Comal Cnty. Dist. Ct. Dec. 15, 2025), available at <https://www.texasattorneygeneral.gov/sites/default/files/images/press/Hisense%20TV%20Petition%20Filed.pdf>.

[15] Pet. ¶¶ 1–2, Texas v. TikTok Inc., No. 25-CV-0033 (Galveston Cnty. Dist. Ct. Jan. 9, 2025), available at <https://www.texasattorneygeneral.gov/sites/default/files/images/press/Texas%20TikTok%20Petition%20Public%20Redacted.pdf>.

[16] United States Census Bureau, Populations and People, King Cnty., Tex., 2020, available at https://data.census.gov/profile/King_County,_Texas?g=050XX00US48269.

[17] See Texas Office of Attorney General, July 30, 2024 Press Release, available at <https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-secures-14-billion-settlement-meta-over-its-unauthorized-capture>.

[18] Texas Office of Attorney General, May 9, 2025 Press Release, available at <https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-secures-historic-1375-billion-settlement-google-related-texans-data>.

[19] See, e.g., A. Grande, Meta Seeks to Cut Down Texas AG's Biometric Privacy Suit, Law360 (Feb. 13, 2025), available at <https://www.law360.com/articles/1575771/meta-seeks-to-cut-down-texas-ag-s-biometric-privacy-suit>; Second Am. Pet. ¶114, Texas v. Google, No. CV58999 (Midland Cnty. Dist. Ct. May 5, 2023) (alleging "misrepresentations regarding both its capture and use of Texas users' and non-users' biometric data").

[20] See Pet., ¶¶ 264-68, Texas v. Epic Systems Corp. (Tarrant Cnty. Dist. Ct. Dec. 10, 2025), available at https://www.texasattorneygeneral.gov/sites/default/files/images/press/Petition_4.pdf.

[21] Pl.'s Notice of Nonsuit, Texas v. LG, No. 067-372971-25 (Tarrant Cnty. Dist. Ct. Dec. 23, 2025).

[22] Google LLC v. State, No. 13-23-00114-CV, 2025 WL 52611, at *7 (Tex. App.—Corpus Christi-Edinburg Jan. 9, 2025. no pet.) (evidence that "[Google's] employees directed the alleged misleading statements from afar . . . insufficient to confer specific jurisdiction").

[23] Texas Bus. & Com. Code § 17.47(b).

[24] Texas filed two lawsuits against TikTok; the first lawsuit was filed in 2024, and the second lawsuit was filed in 2025. See Texas v. TikTok Ltd., No. 24-CV-1763 (Galveston Cnty. Dist. Ct.); Texas v. TikTok Inc., No. 25-CV-0033 (Galveston Cnty. Dist. Ct.). Texas moved to consolidate both cases in 2025, which the court granted and then subsequently vacated. See Order Vacating Order of Consolidation, Texas v. TikTok Inc., No. 25-CV-0033 (Galveston Cnty. Dist. Ct. Apr. 2, 2025). Both cases were subsequently transferred to Travis County. See Transfer Order, Texas v. TikTok Ltd., No. 24-CV-1763 (Galveston Cnty. Dist. Ct. Mar. 19, 2025); Agreed Order Granting Mot. to Transfer Venue, Texas v. TikTok Inc., No. 25-CV-0033 (Galveston Cnty. Dist. Ct. Apr. 10, 2025).

[25] Tex. Bus. & Com. Code § 17.47(a).

[26] Id. § 17.44 (defining a consumer as one who "seeks or acquires by purchase or lease, any goods or services").

[27] See In re TikTok Inc. et al., No. 15-25-00209-CV (Tex. App.—Austin [15th] Jan. 8, 2026).

[28] Texas Office of Attorney General, July 21, 2025 Press Release, available at <https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-leads-nation-protecting-americans-data-privacy-and-security-big-tech#:~:text=2025%20%7C%20Press%20Release-,%20Attorney%20General%20Ken%20Paxton%20Leads%20Nation%20in%20Protecting%20Americans'%20Data,has%20achieved%20unprecedented%20results%2C%20including>.

[29] Texas Office of Attorney General, June 4, 2024 Press Release, available at <https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-launches-data-privacy-and-security-initiative-protect-texans-sensitive>.