

State Watch: Consumer Protection Enforcement Update - August 2025

The Massachusetts AG enforces the state's mortgage servicing, debt collection, and data breach notification laws, while Texas takes aim at junk fees

September 5, 2025 | [Anastasia V. Caton](#)

Massachusetts

Attorney General Campbell entered into a \$2 million settlement with a mortgage loan servicer over allegations that the company violated the state's consumer protection, foreclosure prevention, and debt collection laws. The AG claims that the servicer required consumers to pay large upfront payments to enter into a loan modification (without considering whether the consumer could afford the upfront payment), failed to comply with foreclosure prevention notice requirements, and made collection calls in excess of Massachusetts's two-call-per-week limit

AG Campbell entered into a settlement with a property management company over allegations that it failed to protect the personal information of consumers and delayed required data breach notifications. According to AG Campbell, the company experienced five cybersecurity breaches over a two-year period, the first two of which were not reported to affected consumers or the AG's office until nearly seven months after they occurred. The order requires the company to pay \$795,000 in penalties, implement certain cybersecurity measures, and conduct an annual security assessment for three years.

Pennsylvania

Attorney General Sunday entered into a settlement with a dealership group over its allegedly deceptive sales practices in violation of Pennsylvania's Automotive Industry Trade Practices Law and Unfair Trade Practices and Consumer Protection Law. According to the AG, the dealerships inflated vehicle prices with add-on costs. AG Sunday also claims that the dealerships manipulated credit applications in an effort to sell more vehicles. Under the terms of the settlement, the dealerships will pay \$130,000 in total, \$100,000 of which is restitution for impacted consumers. The dealerships have also agreed to injunctive relief, including a requirement to hire a compliance officer and providing certain disclosures to consumers about the terms of financing.

Texas

Attorney General Paxton entered into a \$9.5 million settlement with an online hotel booking company over its allegedly deceptive marketing of hotel room prices. AG Paxton claims that the company obscured the "junk fees" by grouping them with government fees under a "taxes and fees" heading. The company has agreed, as part of the settlement, to disclose its mandatory fees upfront as part of the hotel room's price. This action is part of a sweep by AG Paxton, who has also settled with four hotel companies over their room price disclosures.

Multistate

A group of 51 bipartisan state attorneys general, led by North Carolina Attorney General Jackson, launched the Anti-Robocall Litigation Task Force. The Task Force targets voice service providers that allegedly allow illegal robocalls to be routed through their networks. The Task Force sent warning letters to 37 voice service providers, claiming that the providers have violated the Federal Communication Commission's robocall regulations.

A bipartisan coalition of 37 state attorneys general sent a letter to a large social media company over a new feature on the company's application that allows for real-time, detailed location sharing. Specifically, the AGs expressed concern about the impact of the feature on vulnerable users, including children and survivors of domestic violence, and the possibility for the feature to increase the risks of stalking, harassment, and other exploitation. The AGs urged the company to ensure that minors are not allowed to enable the location-sharing feature, provide alerts to adults about the risks of location sharing, and offer an easy opt-out method for those adults who have enabled location-sharing.

Join us for a webinar highlighting anticipated state AG enforcement trends on September 17, 2025 at 2:00 pm ET. Click here to learn more about Hudson Cook's State Enforcement Practice.

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