

By: Lopez

H.B. No. 1129

A BILL TO BE ENTITLED

AN ACT

relating to false, misleading, or deceptive advertising made in connection with a reverse mortgage loan agreement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle B, Title 4, Finance Code, is amended by adding Chapter 344 to read as follows:

CHAPTER 344. REVERSE MORTGAGE LOANS

Sec. 344.001. FALSE, MISLEADING, OR DECEPTIVE ADVERTISING.

(a) A person may not, in any manner, advertise or cause to be advertised a false, misleading, or deceptive statement or representation made to induce a potential borrower into applying for or entering into a reverse mortgage loan agreement.

(b) A statement or representation is misleading or deceptive under Subsection (a) if the statement or representation has the capacity or tendency to mislead or deceive a potential borrower, considering:

(1) the overall impression that the statement or representation reasonably creates; and

(2) the particular type of potential borrower to which the statement or representation is directed and whether the statement or representation may be reasonably comprehended by that potential borrower.

(c) A violation of this section is a deceptive trade practice under Subchapter E, Chapter 17, Business & Commerce Code,

1 and is actionable under that subchapter.

2 SECTION 2. This Act takes effect September 1, 2021.