

AMENDED IN ASSEMBLY JUNE 16, 2004

AMENDED IN SENATE APRIL 12, 2004

SENATE BILL

No. 1154

Introduced by Senator Figueroa

January 27, 2004

An act to add Chapter 23.5 (commencing with Section 22730) to Division 8 of the Business and Professions Code, relating to consumer rebates.

LEGISLATIVE COUNSEL'S DIGEST

SB 1154, as amended, Figueroa. Consumer rebates.

Existing law regulates various business activities and practices.

This bill would impose certain requirements on companies and retailers that offer consumer rebates, including that a company mail a rebate to a consumer not later than ~~30~~ 45 days from ~~when the company received the rebate request~~ *the occurrence of specified conditions*. ~~The bill would require a rebate offered directly by a retailer on a product the retailer sells to be redeemed at the time of the product's purchase. The bill would require, with an exception, specify the information that may be required from a consumer by a company that offers a rebate to accept as valid proof of purchase a copy of the receipt for the purchase of the product.~~ The bill would exempt from its provisions rebates offered by a gas or electric corporation through its energy efficiency program. *The bill's provisions would become operative on July 1, 2005.*

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 23.5 (commencing with Section
2 22730) is added to Division 8 of the Business and Professions
3 Code, to read:

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CHAPTER 23.5. CONSUMER REBATES

7 ~~22730. (a) Except as specified in subdivision (b), a copy of~~
8 ~~a receipt for the purchase of a product sent to a company offering~~
9 ~~a rebate shall be sufficient proof of purchase for a rebate request.~~
10 ~~The company shall have the right to reject a rebate request based~~
11 ~~upon a copy of a receipt only if the company has a reasonable belief~~
12 ~~that the consumer submitting the rebate request is attempting to~~
13 ~~commit fraud or has already received the offered rebate.~~

14 ~~(b) A company may require an original receipt as proof of~~
15 ~~purchase only if it has an agreement with its retailers to provide~~
16 ~~consumers with a duplicate original receipt for the product for~~
17 ~~which the rebate is offered.~~

18 *22730. As used in this chapter, “consumer rebate” shall mean*
19 *cash, credit, or credit towards future purchases, that is offered to*
20 *consumers who acquire or purchase products or services and that*
21 *is contingent upon the purchase or acquisition. “Consumer*
22 *rebate” shall not include any discount from the purchase price that*
23 *is taken at the time of purchase or any refund that may be given to*
24 *a consumer in accordance with a company’s return or warranty*
25 *policies.*

26 ~~22731. A~~ *(a) A company shall not require a consumer to*
27 *provide more than the following as proof of purchase for purposes*
28 *of redeeming a consumer rebate:*

- 29 *(1) A receipt for the purchase of the product or services.*
- 30 *(2) A universal product code or packaging element that is*
31 *clearly and conspicuously marked as the necessary proof of*
32 *purchase for the rebate offer.*
- 33 *(3) The name of the consumer.*
- 34 *(4) The address of the consumer.*
- 35 *(5) The consumer’s telephone number.*
- 36 *(6) The consumer’s membership number, if applicable.*
- 37 *(7) The consumer’s signature.*



1 (b) For purposes of paragraph (1) of subdivision (a), a copy of
2 the receipt shall be sufficient unless the consumer is provided with
3 a duplicate original receipt for each product associated with a
4 rebate, in which case the duplicate original may be required.

5 22732. (a) Except as provided in subdivision (b), a rebate
6 offer shall conspicuously disclose a telephone number on the
7 rebate form that a consumer may call to check the status of his or
8 her rebate request.

9 ~~22732. A rebate offered directly by a retailer on a product the~~
10 ~~retailer sells shall be redeemed at the time of the product's~~
11 ~~purchase.~~

12 (b) For purchases of a company's product that occur over a
13 Web site operated or maintained by that company, a Web site or
14 other electronic means may be provided instead of the telephone
15 number to check the status of his or her rebate.

16 22733. A company may require the consumer to write the
17 model number or other identifying number on the rebate form only
18 if the receipt does not reveal the product name, type, model, or
19 other identifying number.

20 22734. A company that offers a rebate shall allow at least ~~60~~
21 ~~days from the time of purchase~~ 45 days from the date the consumer
22 becomes eligible for the rebate for the rebate request to be
23 submitted by the consumer.

24 ~~22735. Upon receipt of a valid rebate request, a company shall~~
25 ~~mail the rebate check not later than 30 days from the date the~~
26 ~~company receives the rebate request.~~

27 22735. Companies shall mail the rebate check or transmit the
28 rebate funds or fulfill the terms of the rebate offer no later than 45
29 days from either of the following events as applicable:

30 (a) Upon receipt of a rebate request meeting the terms and
31 conditions of the rebate offer, to the extent permitted by this
32 chapter and as disclosed at the time of purchase.

33 (b) If the rebate offer is conditioned upon a consumer staying
34 with a service contract for a minimum length of time, then upon
35 completion of this term of the rebate offer and receipt of a rebate
36 request meeting the terms and conditions for the rebate to the
37 extent permitted by this chapter and as disclosed at the time of
38 purchase.

39 22736. (a) A company offering a rebate shall not require
40 personal information other than the consumer's name, address,



1 ~~and home phone number.~~ *telephone number, membership number*
2 *if applicable, and signature.*

3 (b) *A company may require, instead of a telephone number, a*
4 *consumer's e-mail address with respect to products purchased over*
5 *the Internet, Internet-based services, or Internet rebate*
6 *redemptions.*

7 22737. *A company offering a rebate shall provide a the rebate*
8 *redemption form directly with the product, or at the time and place*
9 *same location and at the same time that the consumer purchases*
10 *the product. For purposes of Internet sales, a generally accessible*
11 *company Web page, including a rebate form thereon, shall comply*
12 *with this section. For purposes of telephone sales, directing*
13 *consumers to a generally accessible company Web page, including*
14 *the rebate form, and, upon request, sending the rebate form via the*
15 *consumer's choice of regular or electronic mail or telecopy shall*
16 *comply with this section.*

17 22738. *The provisions of this chapter do not apply to rebates*
18 *and rebate programs that are offered by gas or electric corporations*
19 *through their energy efficiency programs under the jurisdiction of*
20 *the Public Utilities Commission.*

21 22739. *This chapter shall become operative on July 1, 2005.*
22 *Nothing in this chapter shall impose on any manufacturer any*
23 *obligation to recall any product or service offering consumer*
24 *rebates shipped to retail sales outlets or consumers prior to the*
25 *operative date of this chapter. Any rebate offer in effect prior to*
26 *operative date of this chapter shall be deemed to be in compliance*
27 *with this chapter.*

