

AMENDED IN ASSEMBLY JUNE 24, 2004

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 45 days from the occurrence of specified conditions~~ *allow a minimum of 30 days for a consumer to submit a rebate request. The bill would require a company to mail a rebate check within a specified time period.* The bill would specify the information that may be required from a consumer by a company that offers a rebate. The bill would exempt from its provisions rebates offered by a gas or electric corporation *or a local publicly owned electric utility* 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

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7 22730. As used in this chapter, “consumer rebate” shall mean
8 cash, credit, or credit towards future purchases, that is offered to
9 consumers who acquire or purchase products or services and that
10 is contingent upon the purchase or acquisition. “Consumer
11 rebate” shall not include any discount from the purchase price that
12 is taken at the time of purchase or any refund that may be given to
13 a consumer in accordance with a company’s return or warranty
14 policies.

15 22731. (a) A company shall not require a consumer to
16 provide more than the following as proof of purchase for purposes
17 of redeeming a consumer rebate:

- 18 (1) A receipt for the purchase of the product or services.
- 19 (2) A universal product code or packaging element that is
20 clearly and conspicuously marked as the necessary proof of
21 purchase for the rebate offer.
- 22 (3) The name of the consumer.
- 23 (4) The address of the consumer.
- 24 (5) The consumer’s telephone number.
- 25 (6) The consumer’s membership number, if applicable.
- 26 (7) The consumer’s signature.

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

31 22732. (a) Except as provided in subdivision (b), a rebate
32 offer shall conspicuously disclose a telephone number on the
33 rebate form that a consumer may call to check the status of his or
34 her rebate request.

35 (b) For purchases of a company’s product that occur over a Web
36 site operated or maintained by that company, a Web site or other
37 electronic means may be provided instead of the telephone number
38 to check the status of his or her rebate.



1 22733. A company may require the consumer to write the
2 model number or other identifying number on the rebate form only
3 if the receipt does not reveal the product name, type, model, or
4 other identifying number.

5 22734. A company that offers a rebate shall allow ~~at least 45~~
6 ~~days from the date the consumer becomes eligible for the rebate~~
7 ~~for the rebate request to be submitted by the consumer.~~ *a minimum*
8 *of 30 days from the date the consumer purchases the product, or*
9 *becomes eligible for the rebate pursuant to subdivision (b) of*
10 *Section 22735, for the consumer to submit the rebate request.*

11 22735. ~~Companies~~ A company shall mail the rebate check or
12 transmit the rebate funds *to the consumer* or fulfill the terms of the
13 rebate offer ~~no later than 45~~ *within the same number of days*
14 *provided to the consumer to submit the rebate request pursuant to*
15 *Section 22734, but in no event later than 60 days from either of the*
16 *following events as applicable:*

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

20 (b) If the rebate offer is conditioned upon a consumer staying
21 with a service contract for a minimum length of time, then upon
22 completion of this term of the rebate offer and receipt of a rebate
23 request meeting the terms and conditions for the rebate to the
24 extent permitted by this chapter and as disclosed at the time of
25 purchase.

26 22736. (a) A company offering a rebate shall not require
27 personal information other than the consumer's name, address,
28 telephone number, membership number if applicable, and
29 signature.

30 (b) A company may require, instead of a telephone number, a
31 consumer's e-mail address with respect to products purchased
32 over the Internet, Internet-based services, or Internet rebate
33 redemptions.

34 22737. (a) A company offering a rebate shall provide the
35 rebate redemption form directly with the product, or at the same
36 location and at the same time that the consumer purchases the
37 product. ~~For~~

38 (b) *If a retailer sells a product on which a company offers a*
39 *rebate, the company shall supply the retailer with either of the*
40 *following:*



1 (1) A sufficient quantity of rebate redemption forms based on
2 reasonably anticipated sales.

3 (2) The means to create a rebate redemption form at the time
4 and place of sale.

5 (c) For purposes of Internet sales, a generally accessible
6 company Web page, including a rebate form thereon, shall comply
7 with this section. For purposes of telephone sales, directing
8 consumers to a generally accessible company Web page, including
9 the rebate form, and, upon request, sending the rebate form via the
10 consumer's choice of regular or electronic mail or telecopy shall
11 comply with this section.

12 22738. The provisions of this chapter do not apply to rebates
13 either of the following:

14 (a) Rebates and rebate programs that are offered by gas or
15 electric corporations through their energy efficiency programs
16 under the jurisdiction of the Public Utilities Commission.

17 (b) Rebates and rebate programs that are offered by local
18 publicly owned electric utilities, as defined in Section 9604 of the
19 Public Utilities Code, through their energy efficiency programs
20 funded pursuant to Section 385 of the Public Utilities Code.

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.

