

BUSINESS AND COMMERCE CODE

TITLE 12. RIGHTS AND DUTIES OF CONSUMERS AND MERCHANTS

CHAPTER 605. CONSUMER REBATE RESPONSE AND GRACE PERIOD FOR
CORRECTIONS

Sec. 605.001. DEFINITIONS. In this chapter:

(1) "Consumer" means a person who obtains a product or service that is to be used primarily for personal, business, family, or household purposes.

(2) "Consumer rebate" means an offer to a consumer of cash, credit, or credit toward future purchases that is made in connection with a sale of a good or service to the consumer, is in an amount of \$10 or more, and requires the consumer to mail or electronically submit a rebate request after the sale is completed. The term does not include:

(A) any promotion or incentive that is offered by a manufacturer to another company or organization that is not the consumer to help promote or place the product or service;

(B) a rebate that is redeemed at the time of purchase;

(C) any discount, cash, credit, or credit toward a future purchase that is automatically provided to a consumer without the need to submit a request for redemption;

(D) a rebate that is applied to a bill that the consumer becomes obligated to pay after the date the purchase is made;

(E) any refund that may be given to a consumer in accordance with a manufacturer or retailer's return, guarantee, adjustment, or warranty policies; or

(F) any manufacturer or retailer's frequent shopper customer reward program.

(3) "Properly completed" means that the consumer submitted the required information and documentation in the manner and by the deadline specified in the rebate offer and otherwise satisfied the terms and conditions of the rebate offer.

Added by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 4.012(a), eff. September 1, 2009.

Sec. 605.002. REBATE RESPONSE PERIOD; GRACE PERIOD FOR CORRECTIONS. (a) Except as provided by Subsection (b), a person, including a manufacturer or retailer, who offers a rebate shall mail the amount of the rebate to the consumer or electronically pay the consumer the amount of the rebate within the time period promised in the rebate information provided to the consumer or, if silent, not later than the 30th day after the date the person receives a properly completed rebate request.

(b) If a consumer rebate offer is contingent on the consumer continuing to purchase a service for a minimum length of time, the time period in Subsection (a) begins on the later of:

(1) the date the consumer submits the rebate request;
or

(2) the expiration date of the service period.

(c) If the person offering the rebate receives a rebate request that is timely submitted but not properly completed, the person shall:

(1) process the rebate in the manner provided by Subsection (a) as if the rebate request were properly completed; or

(2) notify the consumer, not later than the date specified by Subsection (a), of the reasons that the rebate request is not properly completed and the consumer's right to correct the deficiency within 30 days after the date of the notification.

(d) The notification under Subsection (c)(2) must be by mail, except that notification may be by e-mail if the consumer has agreed to be notified by e-mail.

(e) If the consumer corrects the deficiency stated in the notification under Subsection (c)(2) before the 31st day after the postmark date of the person's mailed notification to the consumer or the date the e-mail is received, if applicable, the person shall process the rebate in the manner provided by Subsection (a) for a properly completed request.

(f) This section does not impose any obligation on a person to pay a rebate to any consumer who is not eligible under the terms and conditions of the rebate offer or has not satisfied all of the terms and conditions of the rebate offer, if the person offering the

rebate has complied with Subsections (c) and (d).

(g) A person offering a rebate has the right to reject a rebate request from a consumer who the person determines:

- (1) is attempting to commit fraud;
- (2) has already received the offered rebate; or
- (3) is submitting proof of purchase that is not legitimate.

(h) A person making a determination under Subsection (g) shall notify the consumer within the time period provided by Subsection (c) that the person is considering rejecting, or has rejected, the rebate request and shall instruct the consumer of any actions that the consumer may take to cure the deficiency.

(i) If the person offering a rebate erroneously rejects a properly completed rebate request, the person shall pay the consumer as soon as practicable, but not later than 30 days, after the date the person learns of the error.

Added by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 4.012(a), eff. September 1, 2009.

Sec. 605.003. USE OF INDEPENDENT ENTITY TO PROCESS REBATE. For the purposes of this chapter, if a person who offers a rebate uses an independent entity to process the rebate, an act of the entity is considered to be an act of the person and receipt of a rebate request by the entity is considered receipt of the request by the person.

Added by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 4.012(a), eff. September 1, 2009.

Sec. 605.004. DECEPTIVE TRADE PRACTICE. (a) A violation of this chapter is a deceptive trade practice in addition to the practices described by Subchapter E, Chapter 17, and is actionable by a consumer under that subchapter. Claims related to more than one consumer may not be joined in a single action brought for an alleged violation of this chapter, unless all parties agree.

(b) A violation of this chapter is subject to an action by the office of the attorney general as provided by Section 17.46(a).

Added by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec.

4.012(a), eff. September 1, 2009.

Sec. 605.005. CERTIFICATION AS CLASS ACTION PROHIBITED. A court may not certify an action brought under this chapter as a class action.

Added by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. [1969](#)), Sec. 4.012(a), eff. September 1, 2009.