
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1048 Session of
2013

INTRODUCED BY SMITH, RAFFERTY, TARTAGLIONE, FONTANA, WASHINGTON,
YUDICHAK, BREWSTER, COSTA, SOLOBAY, HUGHES AND FARNESE,
JUNE 30, 2013

REFERRED TO JUDICIARY, JUNE 30, 2013

AN ACT

1 Amending Title 18 (Crimes and Offenses) of the Pennsylvania
2 Consolidated Statutes, prohibiting deception relating to
3 rebates for consumer goods; and imposing penalties.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 18 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 4107.3. Deception relating to rebates for consumer goods.

9 (a) Rebate advertising.--A person commits an offense if, in
10 the course of business, the person advertises the availability
11 of a manufacturer's rebate by displaying the net price of the
12 advertised item in the advertisement, unless the amount of the
13 manufacturer's rebate is provided to the consumer by the
14 retailer at the time of purchase of the advertised item. A
15 person shall not be required to provide the purchaser of an
16 advertised product with the amount of the manufacturer's rebate
17 if the advertisement states that a manufacturer's rebate is
18 available without stating the net price of the product.

1 (b) Rebate response.--Except as provided under subsection
2 (c), a person who offers a rebate shall mail the amount of the
3 rebate to the consumer or electronically pay the consumer the
4 amount of the rebate within the time period promised in the
5 rebate information provided to the consumer, or if the time
6 period is not specified, no later than the 30th day after the
7 date the person receives a properly completed rebate request.

8 (c) Rebate for continuing service.--If a consumer rebate
9 offer is contingent on the consumer continuing to purchase a
10 service for a minimum length of time, the time period under
11 subsection (b) shall begin on the later of:

12 (1) the date the consumer submits the rebate request; or
13 (2) the expiration date of the service period.

14 (d) Incomplete rebate request.--

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

18 (i) process the rebate in the manner provided under
19 subsection (b) as if the rebate request were properly
20 completed; or

21 (ii) notify the consumer, no later than the date
22 specified under subsection (b), of the reasons that the
23 rebate request is not properly completed and the
24 consumer's right to correct the deficiency within 30 days
25 after the date of the notification. The notification must
26 be by mail, except that notification may be by e-mail if
27 the consumer has agreed to be notified by e-mail.

28 (2) If the consumer corrects the deficiency stated in
29 the notification under paragraph (1)(ii) before the 31st day
30 after the postmark date of the person's mailed notification

1 to the consumer or the date the e-mail notification is
2 received, the person shall process the rebate in the manner
3 provided under subsection (b) for a properly completed
4 request.

5 (3) This subsection shall not impose an obligation to
6 pay a rebate to a consumer who is not eligible under the
7 terms and conditions of the rebate offer or has not satisfied
8 all of the terms and conditions of the rebate offer, if the
9 person offering the rebate has otherwise complied with this
10 subsection.

11 (e) Rejection of rebate.--

12 (1) A person offering a rebate may reject a rebate
13 request from a consumer who the person determines:

14 (i) is attempting to commit fraud;

15 (ii) has already received the offered rebate; or

16 (iii) is submitting proof of purchase that is not
17 legitimate.

18 (2) A person making a determination under paragraph (1)
19 shall notify the consumer within the time period provided
20 under subsection (b) that the person is considering rejecting
21 or has rejected the rebate request and shall instruct the
22 consumer of any actions that the consumer may take to cure
23 the deficiency.

24 (3) If the person offering a rebate erroneously rejects
25 a properly completed rebate request, the person shall pay the
26 consumer as soon as practicable, but no later than 30 days
27 after the date the person learns of the error.

28 (f) Agents.--For the purposes of this section, if a person
29 who offers a rebate uses an independent entity to process a
30 rebate, an act of the entity is considered to be an act of the

1 person, and receipt of a rebate request by the entity is
2 considered receipt of the request by the person.

3 (g) Penalty.--A violation of this section is a deceptive
4 trade practice under section 4107 (relating to deceptive or
5 fraudulent business practices) and shall be punishable under the
6 provisions of that section.

7 (h) Definitions.--As used in this section, the following
8 words and phrases shall have the meanings given to them in this
9 subsection unless the context clearly indicates otherwise:

10 "Consumer." A person who obtains a product or service that
11 is to be used primarily for personal, business, family or
12 household purposes.

13 "Consumer rebate." An offer to a consumer of cash, credit or
14 credit toward future purchases that is made in connection with a
15 sale of a good or service to the consumer, is in an amount of \$5
16 or more and requires the consumer to mail or electronically
17 submit a rebate request after the sale is completed. The term
18 does not include:

19 (1) A promotion or incentive that is offered by a
20 manufacturer to another company or organization that is not
21 the consumer to help promote or place the product or service.

22 (2) A rebate that is redeemed at the time of purchase.

23 (3) A discount, cash, credit or credit toward a future
24 purchase that is automatically provided to a consumer without
25 the need to submit a request for redemption.

26 (4) A rebate that is applied to a bill that the consumer
27 becomes obligated to pay after the date the purchase is made.

28 (5) A refund that may be given to a consumer in
29 accordance with a manufacturer's or retailer's return,
30 guarantee, adjustment or warranty policies.

1 (6) A manufacturer's or retailer's frequent shopper
2 customer reward program.

3 "Net price." The price a consumer would pay for consumer
4 goods after redemption of the rebate offered for the consumer
5 goods.

6 "Person." A natural person, corporation, trust, partnership,
7 incorporated or unincorporated association and any other legal
8 entity.

9 "Product." A good, service or other tangible or intangible
10 property of any kind.

11 "Properly completed." When a consumer has submitted the
12 required information and documentation in the manner and by the
13 deadline specified in a rebate offer and has otherwise satisfied
14 the terms and conditions of the rebate offer.

15 Section 2. This act shall take effect in 60 days.