LOS ANGELES COUNTY
CONSUMER & BUSINESS AFFAIRS

MEDIA RELEASE

Board of Supervisors

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Lindsey P. Horvath
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

Director
Rafael Carbajal

Chief Deputy Director
Joel Ayala

FOR IMMEDIATE RELEASE
October 23, 2025

CONTACT: LA County DCBA Communications
(213) 332-6497; communications@dcba.lacounty.gov

DCBA Investigation Helps Lead to $246K Settlement over Restaurant Chain's Gift Card Practices

Chipotle must allow refunds for California consumers with gift card balances under $10

LOS ANGELES – Investigators from the County of Los Angeles Department of Consumer and Business Affairs (DCBA) assisted in a statewide investigation which has led to a nearly $250,000 settlement from a national restaurant chain.

Chipotle Mexican Grill, with over 500 stores in California, has settled a consumer protection lawsuit alleging it failed to allow California consumers to cash out Chipotle gift cards with a remaining balance of less than $10.

"Consumers are watching every penny in today's economy and should never have to fight for rights guaranteed under state law," said DCBA Director Rafael Carbajal. "This settlement makes clear that Los Angeles County will hold businesses accountable when they fail to follow consumer laws."

The final judgment, which was entered in Ventura County Superior Court, totals $246,000, including:

- Civil penalties: $145,467 total; $36,367 to the Los Angeles County District Attorney's Office
- Investigative costs: $88,533 total; $20,000 to the Los Angeles County District Attorney's Office
- Restitution: $12,000 to the California Consumer Protection Prosecution Trust Fund to enhance investigation, prosecution and enforcement of consumer protection actions brought pursuant to California unfair competition statutes.

The judgment, in which the company denied any wrongdoing, also provides the following injunctive relief for a period of four years:

- Chipotle must create and maintain a website portal, initially accessible at chipotle.com/gift-card-cashback, where consumers can request a refund for any card that carries a balance of less than $10. To obtain a refund, consumers must enter their gift card's identifying information.
- Chipotle must ensure that its new gift certificates, including those purchased through third parties, contain an updated notice on the front or back alerting consumers that they may redeem the gift card for cash when its cash value is less than $10. The notice must include the website where consumers can obtain the refund.
- The company cannot use the information associated with gift card redemptions provided by California consumers for any other purposes unrelated to the redemptions such as advertising or marketing without consumers' consent to these unrelated activities.

"Gift cards are real money purchased with hard-earned cash," Los Angeles County District Attorney Nathan J. Hochman said. "California law is clear that consumers have the right to redeem a gift card for cash for gift cards with a balance under $10. I thank Deputy District Attorney Duke Chau of our Consumer Protection Division for handling this case along with our partner district attorney's offices throughout California. Thanks to their hard work, companies throughout California are held accountable."

Earlier this month, Governor Newsom signed Senate Bill 22, which will allow consumers to request a cash refund from gift card balances up to $15, starting April 1, 2026.

The lawsuit was led by the Ventura County District Attorney's Office and included the assistance of DCBA and the district attorney's offices of Los Angeles, Shasta and Sonoma counties.

###

Since 1975, the County of Los Angeles Department of Consumer and Business Affairs (DCBA) has worked to level the playing field for consumers, tenants, workers, and immigrant communities across LA County. Whether combating fraud, enforcing worker protections, expanding access to justice, or strengthening financial resilience, DCBA serves as a trusted voice and advocate for those who need it most. Learn more at dcba.lacounty.gov or call (800) 593-8222.