

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1726 Session of
2009

INTRODUCED BY PRESTON, BRADFORD, BRENNAN, CALTAGIRONE,
DONATUCCI, FRANKEL, HARHAI, HORNAMAN, KORTZ, KULA, MAHONEY,
MELIO, MILLARD, MILNE, PALLONE, PASHINSKI, SAINATO, SIPTROTH,
SOLOBAY, VULAKOVICH AND YOUNGBLOOD, JUNE 17, 2009

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JUNE 17, 2009

AN ACT

1 Providing for public notice of the use of donated household
2 items proffered at publicly available collection bins.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Collection
7 Bin Public Notice Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Collection bin." A receptacle put in public places for the
13 collection of household items donated by the public.

14 "Household item." Any clothing, kitchen utensils, bedding,
15 small furniture, small appliances, toys, games and other items
16 commonly used or available to members of a household. The term
17 does not include food, medicines, consumable grooming products

1 or cosmetics.

2 Section 3. Regulation of collection bin purposes.

3 (a) Collections by for-profit entities.--It shall be an
4 unfair or deceptive act or practice for a for-profit entity to
5 obtain donations of household items in a collection bin and
6 resell the items:

7 (1) For profit, unless the collection bin prominently
8 displays a nonremovable statement in boldface capital letters
9 at least three inches high and one inch wide stating
10 "Donations are not for charitable purposes and will be resold
11 for profit."

12 (2) Where some or all of the proceeds from the sale are
13 given directly to a nonprofit entity, as defined under
14 section 501(c)(3) of the Internal Revenue Code of 1986
15 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), unless the
16 collection bin prominently displays a nonremovable statement
17 in boldface capital letters at least three inches high and
18 one inch wide stating "Donations to (Name of collecting
19 entity), a for-profit company, are resold for profit and
20 (insert amount) % of all proceeds are donated to (Name of
21 donee charitable Internal Revenue Code § 501(c)(3)
22 organization)."

23 (b) Collections by nonprofit entities.--

24 (1) It shall be an unfair or deceptive act or practice
25 for a for-profit entity, as defined under § 501(c)(3) of the
26 Internal Revenue Code of 1986, to obtain donations of
27 household items in a collection bin and resell the items,
28 where 75% or less of the proceeds from the resale of these
29 donated items are used for charitable purposes, unless the
30 collection bin prominently displays a nonremovable statement

1 in boldface capital letters at least three inches high and
2 one inch wide stating "Donations to (Name of collecting
3 nonprofit entity), a nonprofit entity, are resold for profit
4 and (insert amount) % of all proceeds are donated to (Name of
5 beneficiary), a nonprofit entity."

6 (2) Where more than 75% of the proceeds from the resale
7 of these donated items are used for charitable purposes, the
8 collection bin shall prominently display a nonremovable
9 statement in boldface capital letters at least three inches
10 high and one inch wide stating "This collection bin is
11 operated by (Name of collecting nonprofit entity), a
12 nonprofit entity, on behalf of (Name of beneficiary). All
13 donated items or proceeds from the resale of donated items
14 are used for charitable purposes."

15 Section 4. Penalties.

16 (a) Violation.--A violation of this act shall be deemed an
17 unfair or deceptive act or practice in violation of the act of
18 December 17, 1968 (P.L.1224, No.387), known as the Unfair Trade
19 Practices and Consumer Protection Law.

20 (b) Duty of Attorney General.--The Attorney General shall
21 have the exclusive authority to bring an action for a violation
22 of this act.

23 (c) Exception.--This act does not apply to paper, glass or
24 aluminum products that are donated for the purpose of recycling
25 these items in the manufacture of other products.

26 Section 5. Effective date.

27 This act shall take effect in 60 days.