

## 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, YOUNGBLOOD, FARRY AND READSHAW,  
JUNE 17, 2009

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, DECEMBER 16, 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

1 commonly used or available to members of a household. The term  
2 does not include food, medicines, consumable grooming products  
3 or cosmetics.

4 "NONPROFIT ORGANIZATION." AN ORGANIZATION REGISTERED UNDER  
5 NONPROFIT REGULATIONS PROMULGATED BY THE DEPARTMENT OF REVENUE  
6 AS AUTHORIZATION UNDER ARTICLE II OF THE ACT OF MARCH 4, 1971  
7 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

8 "WIRELESS COMMUNICATIONS DEVICE." A PAGING DEVICE, CELLULAR  
9 TELEPHONE, PERSONAL INFORMATION MANAGEMENT DEVICE, OTHER  
10 PERSONAL DIGITAL ASSISTANT DEVICES WITH E-MAIL CAPABILITY OR A  
11 TELEPHONE/PDA COMBINATIONS CORRESPONDING ACCESSORY.

12 Section 3. Regulation of collection bin purposes.

13 ~~(a) Collections by for profit entities. It shall be an~~  
14 ~~unfair or deceptive act or practice for a for profit entity to~~  
15 ~~obtain donations of household items in a collection bin and~~  
16 ~~resell the items.~~

17 ~~(1) For profit, unless the collection bin prominently~~  
18 ~~displays a nonremovable statement in boldface capital letters~~  
19 ~~at least three inches high and one inch wide stating~~  
20 ~~"Donations are not for charitable purposes and will be resold~~  
21 ~~for profit."~~

22 ~~(2) Where some or all of the proceeds from the sale are~~  
23 ~~given directly to a nonprofit entity, as defined under~~  
24 ~~section 501(c)(3) of the Internal Revenue Code of 1986~~  
25 ~~(Public Law 99-514, 26 U.S.C. § 501(c)(3)), unless the~~  
26 ~~collection bin prominently displays a nonremovable statement~~  
27 ~~in boldface capital letters at least three inches high and~~  
28 ~~one inch wide stating "Donations to (Name of collecting~~  
29 ~~entity), a for profit company, are resold for profit and~~  
30 ~~(insert amount) % of all proceeds are donated to (Name of~~

~~donee charitable Internal Revenue Code § 501(c)(3) organization).~~"

~~(b) Collections by nonprofit entities.~~

~~(1) It shall be an unfair or deceptive act or practice for a nonprofit entity, as defined under § 501(c)(3) of the Internal Revenue Code of 1986, to obtain donations of household items in a collection bin and resell the items, where 75% or less of the proceeds from the resale of these donated items are used for charitable purposes, unless the collection bin prominently displays a nonremovable statement in boldface capital letters at least three inches high and one inch wide stating "Donations to (Name of collecting nonprofit entity), a nonprofit entity, are resold for profit and (insert amount) % of all proceeds are donated to (Name of beneficiary), a nonprofit entity."~~

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

(A) REGISTRATION.--AN ORGANIZATION SHALL REGISTER EACH OF ITS COLLECTION BINS WITH THE DEPARTMENT OF REVENUE.

(B) BIN LABELS.--THE DEPARTMENT OF REVENUE WILL ISSUE, TO EACH NONPROFIT ORGANIZATION THAT REGISTERS A COLLECTION BIN, A LABEL FOR EACH REGISTERED BIN. THE ORGANIZATION SHALL AFFIX THE LABEL TO ITS BIN. THE ISSUED LABEL SHALL IDENTIFY THE BIN AS




1 BEING OPERATED BY A NONPROFIT SALES TAX EXEMPT CHARITABLE  
2 ORGANIZATION. THIS INFORMATION SHALL BE PRINTED IN BOLDFACE  
3 LETTERING AT LEAST THREE INCHES HIGH AND ONE INCH WIDE.

4 Section 4. Penalties.

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

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

12 (c) Exception.--This act does not apply to paper, glass or  
13 aluminum products that are donated for the purpose of recycling  
14 these items in the manufacture of other products. IN ADDITION,   
15 THIS ACT DOES NOT APPLY TO WIRELESS COMMUNICATION DEVICES.

16 Section 5. Effective date.

17 This act shall take effect in 60 days.