

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2891

By: Bengé

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7 COMMITTEE SUBSTITUTE

8 An Act relating to unfair business practices;
9 providing that certain activities constitute unfair
10 business practices; requiring signage; providing
11 specific requirements for signage; defining terms;
12 exempting certain items; providing for codification;
13 and providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 56 of Title 78, unless there is
17 created a duplication in numbering, reads as follows:

18 A. It shall be an unfair business practice for a for-profit
19 entity or natural person to collect donations of unwanted clothing
20 and household items via a public receptacle and resell the donated
21 items for profit unless the donation receptacle prominently displays
22 a disclosure label printed in bold letters at least one (1) inch
23 high and one (1) inch wide stating: "DONATIONS ARE NOT FOR
24 CHARITABLE ORGANIZATIONS AND WILL BE RESOLD FOR PROFIT".

1 B. It shall be an unfair business practice for a for-profit
2 entity or natural person to collect donations of unwanted clothing
3 and household items via a public receptacle and resell the donated
4 items if some or all of the proceeds from the sale are directly
5 given to a not-for-profit entity unless the donation receptacle
6 prominently displays a disclosure label printed in bold letters at
7 least one (1) inch high and one (1) inch wide stating: "DONATIONS TO
8 THE FOR-PROFIT ENTITY: (name of the for-profit entity or individual)
9 ARE SOLD FOR PROFIT AND (percentage of proceeds donated to the not-
10 for-profit entity) OF ALL PROCEEDS IS DONATED TO (name of the
11 nonprofit beneficiary organization)".

12 C. It shall be an unfair business practice for a for-profit
13 entity or natural person to collect donations of unwanted clothing
14 and household items via a public receptacle and resell the donated
15 items, if the not-for-profit entity is paid a flat fee, not
16 contingent upon the proceeds generated by the sale of the collected
17 goods, and one hundred percent (100%) of the proceeds from the sale
18 of the items is retained by the for-profit entity, unless the
19 donation receptacle prominently displays a disclosure label printed
20 in bold letters at least one (1) inch high and one (1) inch wide
21 stating: "THIS DONATION RECEPTACLE IS OPERATED BY THE FOR-PROFIT
22 ENTITY: (name of the for-profit entity or individual) ON BEHALF OF
23 (name of the nonprofit beneficiary organization)". Donations are
24 sold for-profit by (name of the for-profit entity or individual) and

1 a flat fee (insert fee arrangement) is paid to (name of the not-for-
2 profit beneficiary or organization).

3 D. As used in this section:

4 1. "Public receptacle" means a large container, or donation
5 bin, commonly placed in a parking lot for the purpose of encouraging
6 individuals to donate clothing or other items;

7 2. "Disclosure label" means a printed or typed notice
8 permanently affixed to a public receptacle on the side and front
9 which is easily readable and legible.

10 E. 1. In addition to the requirements provided for in this
11 section, every disclosure label shall include an address and
12 telephone number of the entity benefiting from the donation;

13 2. For purposes of this subsection, a post office box shall not
14 be considered sufficient for the address on the disclosure label.

15 F. Nothing in this section shall apply to paper, glass,
16 plastic, or aluminum products that are donated for the purpose of
17 being recycled in the manufacture of other products.

18 SECTION 2. This act shall become effective November 1, 2008.

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20 51-2-10236 MMP 02/21/08

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