

EHB 2891

1 THE STATE SENATE
2 Wednesday, April 02, 2008

3 ENGROSSED

4 House Bill No. 2891

5 As Amended

6 ENGROSSED HOUSE BILL NO. 2891- By: Bengé and Sherrer of the House
7 and Bingman of the Senate.

8 [unfair business practices - specific requirements for
9 signage - codification - effective date]

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

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

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

21 B. It shall be an unfair business practice for a for-profit
22 entity or natural person to collect donations of unwanted clothing
23 and household items via a public receptacle and resell the donated
24 items if some or all of the proceeds from the sale are directly

1 given to a not-for-profit entity unless the donation receptacle
2 prominently displays a disclosure label printed in bold letters at
3 least one (1) inch high and one (1) inch wide stating: "DONATIONS TO
4 THE FOR-PROFIT ENTITY: (name of the for-profit entity or individual)
5 ARE SOLD FOR PROFIT AND (percentage of proceeds donated to the not-
6 for-profit entity) OF ALL PROCEEDS IS DONATED TO (name of the
7 nonprofit beneficiary organization)".

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

23 D. As used in this section:

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

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

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

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

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

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

16 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS & LABOR, dated 3-31-08 -
17 DO PASS, As Amended.