

HOUSE BILL 2166

By Gilmore

AN ACT to amend Tennessee Code Annotated, Section 48-101-513, relative to required disclosures on collection receptacles for donated items.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 48-101-513, is amended by adding the following language as a new, appropriately designated subsection:

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(1) Any charitable organization that places or maintains a collection receptacle in public view for the purpose of collecting donated clothing, household or other items, shall display on all sides of each collection receptacle a permanent sign or label with the name, address, phone number, and electronic mail address for the charitable organization and a statement expressing the charitable purpose for which the charitable organization exists.

(2) Any person who is not a charitable organization and who places or maintains a collection receptacle in public view for the purpose of collecting donated clothing, household or other items, for resale for the purpose of retaining the proceeds of the sale of the items, shall display on all sides of each collection receptacle a permanent sign or label with the name, address, phone number, and electronic mail address for the person and the following statement: "THIS IS NOT A CHARITY. DONATIONS MADE HERE WILL BE SOLD BY A FOR-PROFIT BUSINESS AND ARE NOT TAX DEDUCTIBLE."

(3) Any person who is not a charitable organization and who places or maintains a collection receptacle in public view for the purpose of collecting

donated clothing, household or other items for resale for the purpose of paying over all or a portion of the proceeds from such sale to a charitable organization shall display on all sides of each collection receptacle a permanent sign or label with the name, address, phone number, and electronic mail address for that person and the following statement: "DONATIONS MADE HERE WILL BE SOLD BY A FOR-PROFIT BUSINESS, AND A PORTION OF THE PROCEEDS WILL BE PAID TO [NAME OF CHARITABLE ORGANIZATION]. FURTHER INFORMATION ABOUT THESE PAYMENTS CAN BE OBTAINED FROM [NAME OF PERSON OPERATING BIN] AT [PHONE NUMBER AND ELECTRONIC MAIL ADDRESS] AND FROM [NAME OF CHARITABLE ORGANIZATION] AT [PHONE NUMBER AND ELECTRONIC MAIL ADDRESS]." The provisions of Section 48-101-507 shall apply to collection boxes operated in this manner.

(4) The sign or labels required by this section shall be placed on all sides of the collection receptacle with the required information printed in letters that are no less than two inches (2") in height and no less than one-half inch (½") in width and in a color that contrasts with the color of the collection receptacle so that the sign or label is clearly visible.

(5) Prior to placing any collection receptacle covered by this section, the person placing the collection receptacle must obtain written permission to place and operate the collection receptacle from the owner of the property where the collection receptacle is located. If written permission is not obtained from the property owner, the property owner may remove and dispose of the collection receptacle, and any charges incurred in the removal and disposal of the collection receptacle shall be the responsibility of the person who placed the collection receptacle.

(6) Any violation of this subsection shall constitute a solicitation of contributions by unfair, false, misleading, or deceptive means or manner, and

may be investigated under the provisions of Section 48-101-514. The secretary of state, or the secretary of state's authorized representative, may impose a civil penalty of not more than five thousand dollars (\$5,000) for each and any violation of this part. Upon notice to the affected party of an order by the secretary of state that sanctions, including, but not limited to, civil penalties should be imposed, the affected party may seek review of that decision by requesting a "contested case" hearing, which shall be conducted pursuant to the Uniform Administrative Procedures Act, compiled in Title 4, chapter 5.

(7) Civil penalties imposed under this part shall be enforced in the manner prescribed by Section 48-101-514.

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it.