

110TH CONGRESS
1ST SESSION

S. 2529

To improve disclosures for charitable giving, protect charities, inform consumers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 19, 2007

Mr. MENENDEZ (for himself and Mr. BAYH) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To improve disclosures for charitable giving, protect charities, inform consumers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting the Spirit
5 of Giving Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) CHARITABLE ORGANIZATION.—The term
9 “charitable organization” means any organization

1 described in section 170 or 501(c) of the Internal
2 Revenue Code of 1986.

3 (2) MANUFACTURER; PRODUCT; RETAILER.—
4 The terms “manufacturer”, “product”, and “re-
5 tailer” have the meanings given the terms “manu-
6 facturer”, “consumer product”, and “retailer”, re-
7 spectively, in section 3(a) of the Consumer Product
8 Safety Act (15 U.S.C. 2052(a)).

9 **SEC. 3. CHARITABLE ORGANIZATION NOTIFICATION RE-**
10 **QUIREMENT.**

11 A retailer or manufacturer may not use the name of
12 a charitable organization to solicit donations for that char-
13 itable organization, sell or market a product that is linked
14 to the charitable organization or to which a portion of pro-
15 ceeds is dedicated to the charitable organization, or sell
16 or market a product on behalf of a charitable organization,
17 unless the retailer or manufacturer, for each such sollicita-
18 tion, sale, or promotion—

19 (1) notifies the charitable organization—

20 (A) of the manner in which such retailer or
21 manufacturer intends to use the charitable or-
22 ganization’s name, emblem, or logo to solicit do-
23 nations or to sell or market a product; and

24 (B) the amount or percentage of the dona-
25 tion or purchase price that the retailer or man-

1 manufacturer intends to remit to the charitable or-
 2 ganization;

3 (2) obtains written approval, in advance, from
 4 the charitable organization to use the charitable or-
 5 ganization's name in the manner requested; and

6 (3) limits the use of the charitable organiza-
 7 tion's name to the scope approved in advance by the
 8 charitable organization.

9 **SEC. 4. CONSUMER DISCLOSURE REQUIREMENT.**

10 A retailer or manufacturer that sells or markets a
 11 product with the intention of remitting a portion of the
 12 proceeds from the sale of such product to a charitable or-
 13 ganization shall provide clear, written disclosure to the
 14 purchaser of such product of this intention, including—

15 (1) the actual or anticipated portion of the pur-
 16 chase price that will be remitted to the charitable or-
 17 ganization;

18 (2) the maximum amount that will be remitted
 19 to the charitable organization, if applicable;

20 (3) the time period during which donations for
 21 the charitable organization will be collected, if
 22 known; and

23 (4) the phone number or other contact informa-
 24 tion for the charitable organization.

1 **SEC. 5. ENFORCEMENT.**

2 (a) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—A
3 violation of section 3 or 4 shall be treated as a violation
4 of a rule defining an unfair or deceptive act or practice
5 described under section 18(a)(1)(B) of the Federal Trade
6 Commission Act (15 U.S.C. 57a(a)(1)(B)).

7 (b) ACTIONS BY THE FEDERAL TRADE COMMIS-
8 SION.—The Federal Trade Commission shall enforce the
9 provisions of this Act in the same manner, by the same
10 means, and with the same jurisdiction, powers, and duties
11 as though all applicable terms and provisions of the Fed-
12 eral Trade Commission Act (15 U.S.C. 41 et seq.) were
13 incorporated into and made part of this Act.

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