

## **Clothing Collection Bin Operator Code of Conduct**

Companies that are members of the Secondary Materials and Recycled Textiles Association (SMART) are deeply committed to recycling and waste reduction, and through their business activities, are responsible for diverting billions of pounds of used textiles and other household wastes from landfills each year. Operators of clothing collection bins provide critical infrastructure for textile waste reduction while offering significant benefits. They:

#### • Promote Textile Waste Reduction Goals

The textile reuse and recycling sector diverts approximately 4 billion pounds of textiles from landfills annually, with clothing collection bins playing a critical role in this success. By making textile donation and recycling more accessible, these bins increase recovery rates, ensuring a greater proportion of textiles are repurposed, recycled, or reused—directly advancing sustainability objectives.

### • Enhance Access to Textile Waste Collection

Collection bins provide a simple, convenient option for consumers to donate unwanted textiles, particularly in areas where traditional, brick-and-mortar donation sites are unavailable. This accessibility reduces the likelihood of textiles being discarded in household waste, helping to divert materials from landfills.

## • Support Job Creation in Local Economies

The operation of clothing collection bins generates employment opportunities in logistics, warehousing, sorting, and recycling. These roles contribute to local economic growth, fostering skill development and career advancement while supporting a circular economy.

## • Generate Revenue for Charitable Organizations

Many clothing collection bin operators collaborate with nonprofit organizations through revenue-sharing agreements, providing reliable funding for critical community programs. These partnerships not only bolster charitable efforts but also align with sustainability goals, creating a meaningful impact in local communities.

#### Reduce Costs for Local Governments

By diverting textiles from landfills, clothing collection bins help municipalities cut landfill tipping fees, which are a growing expense for local governments. Properly managed bins offer a cost-effective solution for textile waste management, alleviating financial pressures on taxpayers.

Yet, despite the meaningful contributions for-profit clothing collection bin operators are making to broader goals, they have sometimes come under fire, with critics alleging that some operators do not fulfill their obligations to maintain collection bins or provide enough transparency about the intended use of contributions.

While these instances are by far the exception and not the rule, to prevent potentially negative outcomes and effectively support recycling and reputable charitable nonprofits, SMART member clothing collection bin operators abide by a stringent code of conduct. The elements of this code are detailed below.

# SMART member clothing collection bin operators agree to:

- 1. Ensure collection bins identify the name and contact information of the company responsible for maintaining the bin(s);
- 2. If bins are co-branded, clearly mark collection bins with the names and contact information of the sponsoring organization and name of charity receiving benefit;
- 3. Refrain from using deceptive or ambiguous labels/logos on bins that imply contributions will go to support a particular cause if there is no underlying affiliation with a charitable organization and clearly disclose the for-profit nature of the business on the collection bins;
- 4. Obtain written consent from a property owner and/or representative prior to placing and/or moving collection bins on any private property;
- 5. Service collection bins as often as necessary to avoid accumulation of recycled items or debris around said bins;
- 6. Provide the property owner and/or representative with a working phone number and commit to responding to any complaints regarding bin maintenance within 72 hours of receiving notification during regular business hours;
- 7. Comply with any applicable zoning and or permitting requirements, including state, local and municipality requirements.
- 8. Respond authorities in a constructive manner if they believe the existing regulations do not properly cover the business of collection bins and offer education where appropriate.
- 9. Foster ethical business practices among SMART members and avoid actions that might harm the public image of the industry as a whole or of individual SMART members.

SMART encourages clothing collection bin operators to perform due diligence to ensure the legitimacy and good standing of any potential 501(c)(3) charity partner. To accomplish this, collection bin operators may wish to ask charitable partners to furnish:

- A letter of determination from the Internal Revenue Service (IRS) indicating valid 501(c)(3) tax status;
- Documentation indicating satisfactory completion of an independent, third-party review verifying compliance with any applicable IRS requirements;
- A copy of the charity's completed IRS Form 990 for the most recent tax year;
- Any other form of acceptable documentation demonstrating that a nonprofit meets recognized standards for charitable accountability.

Any SMART member company found to have violated any of the numbered provisions above may face disciplinary action from the association including but not limited to revocation of any related member benefits and/or privileges up to expulsion. [Note: this language is contingent upon feedback from SMART legal).

Of course, SMART also encourages consumers and the general public to perform due diligence to ensure the legitimacy and good standing of any potential clothing collection bin operator and to contact their local state Attorney General's office to determine if these organizations or their private sector partners are registered and compliant with state and local regulations. Consumers/the general public may also wish to utilize an independent, third-party review service like <a href="https://www.charitynavigator.org">www.charitynavigator.org</a> or <a href="https://www.charitynavigator.org">www.charitywatch.org</a> to assess the activities of a potential charitable recipient.

Approved by SMART Board of Directors February 2, 2025