

**SENATE BILL NO. 184**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**EIGHTEENTH LEGISLATURE - FIRST SESSION**

**BY SENATOR FRANK**

**Introduced: 4/5/93**  
**Referred: L&C, JUD**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to civil liability of employees and volunteers of certain nonprofit  
2 corporations; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* Section 1. AS 09.65 is amended by adding a new section to read:

5           Sec. 09.65.098. **CIVIL LIABILITY OF CERTAIN VOLUNTEERS AND**  
6 **EMPLOYEES.** (a) A person working as an employee of or a volunteer for a  
7 nonprofit corporation is not liable for civil damages resulting from an act or omission  
8 that occurs while the person is acting in good faith and within the scope of the  
9 person's functions and duties as an employee of or a volunteer for the nonprofit  
10 corporation if the nonprofit corporation is insured as required under (b) of this section  
11 or is exempt from the insurance requirement under (b) of this section.

12           (b) Immunity provided under (a) of this section does not apply unless the  
13 nonprofit corporation purchases and maintains a policy of liability insurance with a  
14 limit of coverage of at least \$200,000 per individual claim and \$500,000 for all claims

1 arising from the same occurrence. This subsection does not apply to a nonprofit  
2 corporation that had administrative operating costs of less than \$100,000 in the  
3 previous calendar year and that is exempt from taxation under 26 U.S.C. 501(c)(3)  
4 (Internal Revenue Code of 1954).

5 (c) This section does not preclude liability for civil damages as a result of  
6 gross negligence, recklessness, or intentional misconduct.

7 (d) This section does not affect the liability of a nonprofit corporation.

8 (e) In this section,

9 (1) "administrative operating costs" do not include money awarded as  
10 a grant;

11 (2) "employee" means an individual who is employed to perform a  
12 service for wages;

13 (3) "nonprofit corporation" means a corporation

14 (A) incorporated under AS 10.20; or

15 (B) exempt from taxation under 26 U.S.C. 501(c)(3) (Internal  
16 Revenue Code of 1954);

17 (4) "volunteer" means a person who does not receive financial  
18 consideration, except for reimbursement for expenses actually incurred, for services  
19 performed for a nonprofit corporation.

20 \* Sec. 2. This Act applies to civil actions that accrue on or after the effective date of this  
21 Act.

22 \* Sec. 3. This Act takes effect July 1, 1993.