

CS FOR SENATE BILL NO. 184(L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 1/26/94
Referred: Judiciary

Sponsor(s): SENATOR FRANK

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to civil liability of certain nonprofit corporations and of**
2 **volunteers of certain nonprofit 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 **CORPORATIONS. (a) A person working as a volunteer for a nonprofit corporation**
7 **is not liable for civil damages resulting from an act or omission that occurs while the**
8 **person is acting in good faith and within the scope of the person's functions and duties**
9 **as a volunteer for the nonprofit corporation if the nonprofit corporation is insured as**
10 **required under (b) of this section or is exempt from the insurance requirement under**
11 **(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) In an action against a nonprofit corporation to recover damages resulting
6 from an act or omission of a volunteer of the nonprofit corporation, if the nonprofit
7 corporation is insured as described under (b) of this section, the court or jury may not
8 award damages in an amount that exceeds the limit of coverage under the nonprofit
9 corporation's policy of liability insurance. This subsection does not apply to a
10 nonprofit corporation that is not insured as described under (b) of this section.

11 (d) This section does not preclude liability for civil damages as a result of
12 gross negligence, recklessness, or intentional misconduct.

13 (e) Except as provided under (c) of this section, this section does not affect the
14 liability of a nonprofit corporation.

15 (f) In this section,

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

18 (2) "nonprofit corporation" means a corporation

19 (A) incorporated under AS 10.20; or

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

22 (3) "volunteer" means a person who does not receive financial
23 consideration, except for reimbursement for expenses actually incurred, for services
24 performed for a nonprofit corporation.

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

27 * Sec. 3. This Act takes effect July 1, 1994.