



By the Center for Media and Democracy www.prwatch.org

## ALEG EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporationsincludes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

## **ALEC's Corporate Board**

### --in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.DIAGEO
- Peabody Energy
- Intuit, Inc.Koch Industries, Inc.
- Koch Industr
   ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

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**DID YOU KNOW?** Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?** 

Home → Model Legislation → Civil Justice

# Volunteer Immunity and Charitable Organization Liability Limit Act Summary

The Act is intended to promote the formation, financial stability, and healthy operation of charitable organizations and to encourage volunteer and charitable organizations by limiting the exposure of organizations and volunteers to lawsuits arising from their charitable activities.

#### **Model Legislation**

{Title, enacting clause, etc.}

**Section 1. {Title.}** This Act shall be known as and may be cited as the Volunteer Immunity and Charitable Organization Liability Limit Act.

**Section 2. {Legislative finding and declaration of intent.}** The legislature finds that charitable organizations within this state perform essential and needed services. It is the intent of the legislature to encourage the formation of charitable organizations, to promote charitable organizations, to preserve the resources of charitable organizations, to encourage volunteerism, and to encourage volunteer and charitable organizations by limiting the liability of charitable organizations and volunteers.

**Section 3. {Definitions.}** For the purpose of this Act:

- (A) "Charitable organization" shall mean any organization exempt from federal income taxation by virtue of being described under Section 501(c)(3) of the Internal Revenue Code.
- (B) "Good faith" shall mean the honest, conscientious pursuit of activities and purposes that the organization is organized and operated to provide.
- (C) "Health care" shall mean any act performed or furnished by a health care provider for, to, or on behalf of a patient pertaining to the disgnosis or treatment of any disease or disorder, mental or physical, or any physical handicap, deformity, or injury.
- (D) "Health care provider" shall mean any person, partnership, professional association, corporation, facility, or institution licensed, certified, or accredited by the state to provide health care, including but not limited to a physician, licensed practical nurse, registered nurse, hospital, dentist, podiatrist, pharmacist, nursing home, or any officer, employee, or agent thereof acting in the course and scope of their employment.
- (E) "Volunteer" shall mean any person, including a director, officer, trustee, or direct service volunteer, who renders service for a charitable organization, nonprofit corporation, a hospital, or a government entity without compensation, other than reimbursement for actual expenses incurred.
- (F) "Government entity" shall mean any county, municipality, township, school district, chartered unit, or subdivision, governmental unit, other special district, similar entity, or any association, authority, board, commission, division, office, officer, task force, or other agency of any state.

#### Section 4.

- (A) Except as provided by Subsection (B) of this section and Section 6 of this Act, a volunteer who is serving a charitable organization in any capacity is immune from civil liability for any act or omission resulting in death, damage, or injury if the volunteer was acting in good faith and in the course and scope of his duties or functions within the organization.
- (B) A volunteer acting in good faith and in the course and scope of his duties or functions within the charitable organization is not liable to a person for death, damage, or injury to the person or his property proximately caused by an act or omission arising from the operation or use of any motor-driven equipment, including an airplane, except to the extent of any existing insurance coverage applicable to the act or omission [reference any state compulsory insurance law].
- (C) The provisions of this Section apply only to liability of volunteers and do not apply to the liability of the organization for acts or omissions of volunteers.

**Section 5. {Organization liability.}** Except as provided in Section 6 of this Act, in any civil action brought against a charitable organization based on an act or omission by the organization or its members, recovery may be sought only in an action against the charitable organization for actual damages sustained in an amount not exceeding \$300,000 for each person and \$1,000,000 for each single occurrence

Did you know that Victor Schwartz--a lawyer who represents companies in product litigation-was the corporate co-chair in 2011? of bodily injury or death and \$100,000 for each single act of destruction of property and \$100,000 for any other injury.

#### Section 6. {Applicability.}

- (A) This Act does not apply to an act or omission by a volunteer or an organization that constitutes intentional wrongdoing, or that is done with reckless disregard for the safety of others.
- (B) This Act does not limit or modify the duties or liabilities of a member of the board of directors or an officer to the organization or its members and shareholders.
- (C) This Act does not apply to organizations or employees that are health care providers as defined in Section 3(E).
- (D) This Act does not affect the powers and duties of the attorney general with regard to the charitable organizations and their directors and offices.

Section 7. {Severability clause.}

Section 8. {Repealer clause.}

Section 9. {Effective date.}

ALEC's Sourcebook of American State Legislation 1995

**About Us and ALEC EXPOSED.** The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.

## Center for Media and Democracy's quick summary

This bill immunizes organizations organized under the 501(c)(3) section of the tax code from liability for injuries it may cause.

"Volunteers" cannot be held personally liable, and the organizations themselves cannot be liable for more than an injured person's actual damages (for example, hospital bills only, with no additional compensatory or punitive damages). It should be noted that ALEC is a 501(c)(3) organization, as are think tanks such as the Heartland Institute which it has coordinated with over the years.