

## What you need to know before becoming a volunteer

On Sept. 16, 1997, the Volunteer Protection Act of 1997 became effective. Concerned that volunteers have been deterred from offering their services to nonprofit organizations because of liability concerns, Congress went to work to enact a law which would limit volunteer liability. This federal law is good news for all those who volunteer, or have always wanted to volunteer, for nonprofit organizations.

### I'd like to volunteer for a non-profit organization. Am I protected from liability?

Yes. The Volunteer Protection Act provides liability protection for harm a volunteer may cause as long as:

1. the volunteer was acting within the scope of his or her volunteer responsibilities;
2. the volunteer was properly licensed, certified or authorized for the activity which caused the harm (if required or appropriate);
3. the harm was not caused by the willful or criminal misconduct, gross negligence or conscious, flagrant indifference to the rights or safety of the person harmed; and
4. the harm was not caused by the volunteer while operating a motor vehicle, vessel, aircraft or other vehicle for which the state mandates the operator or owner to be licensed or to maintain insurance.

### Are there exceptions to volunteer immunity I should be aware of?

The Volunteer Protection Act will not provide immunity if the volunteer has engaged in misconduct:

1. that constitutes a crime of violence or an act of international terrorism;
2. that constitutes a hate crime;
3. that involves a sexual offense;
4. that violates a federal or state civil rights law; or
5. in which the volunteer was under the influence of alcohol or drugs at the time.



### Do I qualify as a volunteer under the Act?

A "volunteer" is defined under the Act as an individual performing services for a nonprofit organization or a governmental entity who does not receive compensation (other than reasonable reimbursement or allowance for incurred expenses) or any other thing of value in lieu of compensation, in excess of \$500 per year. The term includes a director, officer, trustee or other direct service volunteer.

### I volunteer as a director of a nonprofit organization. Can I expect my homeowners insurance policy or umbrella policy to extend coverage for harm I may cause as a volunteer?

No. A homeowner's policy shows very little promise of providing a director or officer any protection in the event that a lawsuit arises. The reason? The typical D&O lawsuit involves a wrongful act which inflicts financial injury to someone, whereas a homeowner's policy covers an insured whose negligence causes an accident which produces bodily injury or property damage to a plaintiff. The homeowner's policy, if so endorsed, offers personal injury protection only. The Volunteer Protection Act of 1997 is a big step in the right direction to providing volunteers with immunity; however, because there are still some limitations and qualifications on immunity, check with our agency to be sure that you have the appropriate insurance coverage.

Your Professional Insurance Agent ... We want you to know about the insurance you're buying.

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