

What you need to know before you 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 that 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 nonprofit 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 know?

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

1. constitutes a crime of violence or an act of international terrorism;
2. constitutes a hate crime;
3. involves a sexual offense;
4. violates a federal or state civil rights law; or
5. if 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 homeowners policy shows little promise of providing a director or officer any protection in the event that a lawsuit arises.

The reason? The typical Directors and Officers lawsuit involves a wrongful act that inflicts financial injury to someone, whereas a homeowners policy covers an insured whose negligence causes an accident that produces bodily injury or property damage to a plaintiff. The homeowners policy, if so endorsed, also may provide coverage for personal injury offenses, such as libel or slander.

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.

