

CIVIL PRACTICE AND REMEDIES CODE

TITLE 4. LIABILITY IN TORT

CHAPTER 84. CHARITABLE IMMUNITY AND LIABILITY

Sec. 84.001. NAME OF ACT. This Act may be cited as the Charitable Immunity and Liability Act of 1987.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987.

Sec. 84.002. FINDINGS AND PURPOSES. The Legislature of the State of Texas finds that:

(1) robust, active, bona fide, and well-supported charitable organizations are needed within Texas to perform essential and needed services;

(2) the willingness of volunteers to offer their services to these organizations is deterred by the perception of personal liability arising out of the services rendered to these organizations;

(3) because of these concerns over personal liability, volunteers are withdrawing from services in all capacities;

(4) these same organizations have a further problem in obtaining and affording liability insurance for the organization and its employees and volunteers;

(5) these problems combine to diminish the services being provided to Texas and local communities because of higher costs and fewer programs;

(6) the citizens of this state have an overriding interest in the continued and increased delivery of these services that must be balanced with other policy considerations; and

(7) because of the above conditions and policy considerations, it is the purpose of this Act to reduce the liability exposure and insurance costs of these organizations

and their employees and volunteers in order to encourage volunteer services and maximize the resources devoted to delivering these services.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987.

Sec. 84.003. DEFINITIONS. In this chapter:

(1) "Charitable organization" means:

(A) any organization exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986 by being listed as an exempt organization in Section 501(c)(3) or 501(c)(4) of the code, if it is a corporation, foundation, community chest, church, or fund organized and operated exclusively for charitable, religious, prevention of cruelty to children or animals, youth sports and youth recreational, neighborhood crime prevention or patrol, fire protection or prevention, emergency medical or hazardous material response services, or educational purposes, including private primary or secondary schools if accredited by a member association of the Texas Private School Accreditation Commission but excluding fraternities, sororities, and secret societies, or is organized and operated exclusively for the promotion of social welfare by being primarily engaged in promoting the common good and general welfare of the people in a community;

(B) any bona fide charitable, religious, prevention of cruelty to children or animals, youth sports and youth recreational, neighborhood crime prevention or patrol, or educational organization, excluding fraternities, sororities, and secret societies, or other organization organized and operated exclusively for the promotion of social welfare by being primarily engaged in promoting the common good and general welfare of the people in a community, and that:

(i) is organized and operated exclusively for one or more of the above purposes;

(ii) does not engage in activities which in themselves are not in furtherance of the purpose or purposes;

(iii) does not directly or indirectly participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office;

(iv) dedicates its assets to achieving the stated purpose or purposes of the organization;

(v) does not allow any part of its net assets on dissolution of the organization to inure to the benefit of any group, shareholder, or individual; and

(vi) normally receives more than one-third of its support in any year from private or public gifts, grants, contributions, or membership fees;

(C) a homeowners association as defined by Section 528(c) of the Internal Revenue Code of 1986 or which is exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986 by being listed as an exempt organization in Section 501(c)(4) of the code;

(D) a volunteer center, as that term is defined by Section 411.126, Government Code; or

(E) a local chamber of commerce that:

(i) is exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986 by being listed as an exempt organization in Section 501(c)(6) of the code;

(ii) does not directly or indirectly participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; and

(iii) does not directly or indirectly contribute to a political action committee that makes expenditures to any candidates for public office.

(2) "Volunteer" means a person rendering services for or on behalf of a charitable organization who does not receive compensation in excess of reimbursement for expenses incurred. The term includes a person serving as a director, officer,

trustee, or direct service volunteer, including a volunteer health care provider.

(3) "Employee" means any person, including an officer or director, who is in the paid service of a charitable organization, but does not include an independent contractor.

(4) Repealed by Acts 2003, 78th Leg., ch. 204, Sec. 18.03(1).

(5) "Volunteer health care provider" means an individual who voluntarily provides health care services without compensation or expectation of compensation and who is:

(A) an individual who is licensed to practice medicine under Subtitle B, Title 3, Occupations Code;

(B) a retired physician who is eligible to provide health care services, including a retired physician who is licensed but exempt from paying the required annual registration fee under Section 156.002, Occupations Code;

(C) a physician assistant licensed under Chapter 204, Occupations Code, or a retired physician assistant who is eligible to provide health care services under the law of this state;

(D) a registered nurse, including an advanced nurse practitioner, or vocational nurse, licensed under Chapter 301, Occupations Code, or a retired vocational nurse or registered nurse, including a retired advanced nurse practitioner, who is eligible to provide health care services under the law of this state;

(E) a pharmacist licensed under Subtitle J, Title 3, Occupations Code, or a retired pharmacist who is eligible to provide health care services under the law of this state;

(F) a podiatrist licensed under Chapter 202, Occupations Code, or a retired podiatrist who is eligible to provide health care services under the law of this state;

(G) a dentist licensed under Subtitle D, Title 3, Occupations Code, or a retired dentist who is eligible to provide health care services under the law of this state;

(H) a dental hygienist licensed under Subtitle D, Title 3, Occupations Code, or a retired dental hygienist who is eligible to provide health care services under the law of this state;

(I) an optometrist or therapeutic optometrist licensed under Chapter 351, Occupations Code, or a retired optometrist or therapeutic optometrist who is eligible to provide health care services under the law of this state;

(J) a physical therapist or physical therapist assistant licensed under Chapter 453, Occupations Code, or a retired physical therapist or physical therapist assistant who is eligible to provide health care services under the law of this state;

(K) an occupational therapist or occupational therapy assistant licensed under Chapter 454, Occupations Code, or a retired occupational therapist or occupational therapy assistant who is eligible to provide health care services under the law of this state; or

(L) an audiologist, assistant in audiology, speech-language pathologist, or assistant in speech-language pathology licensed under Chapter 401, Occupations Code, or a retired audiologist, assistant in audiology, speech-language pathologist, or assistant in speech-language pathology who is eligible to provide health care services under the laws of this state.

(6) "Hospital system" means a system of hospitals and other health care providers located in this state that are under the common governance or control of a corporate parent.

(7) "Person responsible for the patient" means:

(A) the patient's parent, managing conservator, or guardian;

(B) the patient's grandparent;

(C) the patient's adult brother or sister;

(D) another adult who has actual care, control, and possession of the patient and has written authorization to

consent for the patient from the parent, managing conservator, or guardian of the patient;

(E) an educational institution in which the patient is enrolled that has written authorization to consent for the patient from the parent, managing conservator, or guardian of the patient; or

(F) any other person with legal responsibility for the care of the patient.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 634, Sec. 1, eff. Sept. 1, 1989; Acts 1997, 75th Leg., ch. 403, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 400, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 77, Sec. 1, eff. May 14, 2001; Acts 2001, 77th Leg., ch. 538, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1420, Sec. 14.732, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 93, Sec. 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 204, Sec. 10.02, 10.03, 10.04, 18.03(1) eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 553, Sec. 2.001, eff. Feb. 1, 2004; Acts 2003, 78th Leg., ch. 895, Sec. 1, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 239, Sec. 1, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 791, Sec. 1, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 39, Sec. 1, eff. May 9, 2011.

Sec. 84.004. VOLUNTEER LIABILITY. (a) Except as provided by Subsection (d) and Section 84.007, a volunteer of a charitable organization is immune from civil liability for any act or omission resulting in death, damage, or injury if the volunteer was acting in the course and scope of the volunteer's duties or functions, including as an officer, director, or trustee within the organization.

(b) Repealed by Acts 2003, 78th Leg., ch. 204, Sec. 18.03(2).

(c) Except as provided by Subsection (d) and Section 84.007, a volunteer health care provider who is serving as a direct service volunteer of a charitable organization is immune from civil liability for any act or omission resulting in death, damage, or injury to a patient if:

(1) the volunteer commits the act or omission in the course of providing health care services to the patient;

(2) the services provided are within the scope of the license of the volunteer; and

(3) before the volunteer provides health care services, the patient or, if the patient is a minor or is otherwise legally incompetent, the person responsible for the patient signs a written statement that acknowledges:

(A) that the volunteer is providing care that is not administered for or in expectation of compensation; and

(B) the limitations on the recovery of damages from the volunteer in exchange for receiving the health care services.

(d) A volunteer of a charitable organization is liable to a person for death, damage, or injury to the person or his property proximately caused by any act or omission arising from the operation or use of any motor-driven equipment, including an airplane, to the extent insurance coverage is required by Chapter 601, Transportation Code, and to the extent of any existing insurance coverage applicable to the act or omission.

(e) The provisions of this section apply only to the liability of volunteers and do not apply to the liability of the organization for acts or omissions of volunteers.

(f) Subsection (c) applies even if:

(1) the patient is incapacitated due to illness or injury and cannot sign the acknowledgment statement required by that subsection; or

(2) the patient is a minor or is otherwise legally incompetent and the person responsible for the patient is not

reasonably available to sign the acknowledgment statement required by that subsection.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 30.179, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 400, Sec. 2, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 204, Sec. 10.05, 18.01, 18.03(2), eff. Sept. 1, 2003.

Sec. 84.005. EMPLOYEE LIABILITY. Except as provided in Section 84.007 of this Act, in any civil action brought against an employee of a nonhospital charitable organization for damages based on an act or omission by the person in the course and scope of the person's employment, the liability of the employee is limited to money damages in a maximum amount of \$500,000 for each person and \$1,000,000 for each single occurrence of bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987.

Sec. 84.006. ORGANIZATION LIABILITY. Except as provided in Section 84.007 of this Act, in any civil action brought against a nonhospital charitable organization for damages based on an act or omission by the organization or its employees or volunteers, the liability of the organization is limited to money damages in a maximum amount of \$500,000 for each person and \$1,000,000 for each single occurrence of bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987.

Sec. 84.0061. ORGANIZATIONAL LIABILITY FOR TRANSPORTATION SERVICES PROVIDED TO CERTAIN WELFARE RECIPIENTS. (a) In this section, "religious charitable organization" means a charitable organization that is also a "religious organization" as the term is defined by Section 464.051, Health and Safety Code.

(b) Subject to Subsection (e), a religious charitable organization that owns or leases a motor vehicle is not liable for damages arising from the negligent use of the vehicle by a person to whom the organization has entrusted the vehicle to provide transportation services during the provision of those services described by Subsection (c) to a person who:

(1) is a recipient of:

(A) financial assistance under Chapter 31, Human Resources Code; or

(B) nutritional assistance under Chapter 33, Human Resources Code; and

(2) is participating in or applying to participate in:

(A) a work or employment activity under Chapter 31, Human Resources Code; or

(B) the food stamp employment and training program.

(c) Transportation services include transportation to and from the location of the:

(1) work, employment, or any training activity or program; or

(2) provider of any child-care services necessary for a person described by Subsection (b)(1) to participate in the work, employment, or training activity or program.

(d) Except as expressly provided in Subsection (b), this section does not limit, or in any way affect or diminish, other legal duties or causes of action arising from the use of a motor vehicle, including the condition of the vehicle itself and causes of action arising under Chapter 41.

(e) This section does not apply to any claim arising from injury, death, or property damage in which the operator of the

vehicle was intoxicated, as the term is defined in Section 49.01, Penal Code.

Added by Acts 2001, 77th Leg., ch. 991, Sec. 1, eff. June 15, 2001.

Sec. 84.0065. ORGANIZATION LIABILITY OF HOSPITALS. (a) Except as provided by Section 84.007, in any civil action brought against a hospital or hospital system, or its employees, officers, directors, or volunteers, for damages based on an act or omission by the hospital or hospital system, or its employees, officers, directors, or volunteers, the liability of the hospital or hospital system is limited to money damages in a maximum amount of \$500,000 for any act or omission resulting in death, damage, or injury to a patient if the patient or, if the patient is a minor or is otherwise legally incompetent, the person responsible for the patient signs a written statement that acknowledges:

(1) that the hospital is providing care that is not administered for or in expectation of compensation; and

(2) the limitations on the recovery of damages from the hospital in exchange for receiving the health care services.

(b) Subsection (a) applies even if:

(1) the patient is incapacitated due to illness or injury and cannot sign the acknowledgment statement required by that subsection; or

(2) the patient is a minor or is otherwise legally incompetent and the person responsible for the patient is not reasonably available to sign the acknowledgment statement required by that subsection.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 10.06, eff. Sept. 1, 2003.

Sec. 84.007. APPLICABILITY. (a) This chapter does not apply to an act or omission that is intentional, wilfully

negligent, or done with conscious indifference or reckless disregard for the safety of others.

(b) This chapter 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 chapter does not limit the liability of an organization or its employees or volunteers if the organization was formed substantially to limit its liability under this chapter.

(d) This chapter does not apply to organizations formed to dispose, remove, or store hazardous waste, industrial solid waste, radioactive waste, municipal solid waste, garbage, or sludge as those terms are defined under applicable state and federal law. This subsection shall be liberally construed to effectuate its purpose.

(e) Sections 84.005 and 84.006 of this chapter do not apply to a health care provider as defined in Section 74.001, unless the provider is a federally funded migrant or community health center under the Public Health Service Act (42 U.S.C.A. Sections 254b and 254c) or is a nonprofit health maintenance organization created and operated by a community center under Section 534.101, Health and Safety Code, or unless the provider usually provides discounted services at or below costs based on the ability of the beneficiary to pay. Acceptance of Medicare or Medicaid payments will not disqualify a health care provider under this section. In no event shall Sections 84.005 and 84.006 of this chapter apply to a general hospital or special hospital as defined in Chapter 241, Health and Safety Code, or a facility or institution licensed under Subtitle C, Title 7, Health and Safety Code, or Chapter 242, Health and Safety Code, or to any health maintenance organization created and operating under Chapter 843, Insurance Code, except for a nonprofit health maintenance organization created under Section 534.101, Health and Safety Code.

(f) This chapter does not apply to a governmental unit or employee of a governmental unit as defined in the Texas Tort

Claims Act (Subchapter A, Chapter 101, Civil Practice and Remedies Code).

(g) Sections 84.005 and 84.006 of this Act do not apply to any charitable organization that does not have liability insurance coverage in effect on any act or omission to which this chapter applies. The coverage shall apply to the acts or omissions of the organization and its employees and volunteers and be in the amount of at least \$500,000 for each person and \$1,000,000 for each single occurrence for death or bodily injury and \$100,000 for each single occurrence for injury to or destruction of property. The coverage may be provided under a contract for insurance, a plan providing for self-insured retention that the charitable organization has fully paid or establishes to a court that it is capable of fully and immediately paying, a Lloyd's plan, an indemnity policy to which all requirements for payment have been or will be met, or other plan of insurance authorized by statute and may be satisfied by the purchase of a \$1,000,000 bodily injury and property damage combined single limit policy. For the purposes of this chapter, coverage amounts are inclusive of a self-insured retention, a Lloyd's plan, or an indemnity policy to which all requirements for payment have been or will be met. Nothing in this chapter shall limit liability of any insurer or insurance plan in an action under Chapter 541, Insurance Code, or in an action for bad faith conduct, breach of fiduciary duty, or negligent failure to settle a claim.

(h) This chapter does not apply to:

(1) a statewide trade association that represents local chambers of commerce; or

(2) a cosponsor of an event or activity with a local chamber of commerce unless the cosponsor is a charitable organization under this chapter.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1991, 72nd Leg., ch. 14, Sec. 284(14), (20), eff. Sept. 1, 1991; Acts 1991, 72nd Leg., ch. 76, Sec. 6,

eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 835, Sec. 3, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1297, Sec. 1, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 93, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 204, Sec. 18.02, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 10A.507, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 133, Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 39, Sec. 2, eff. May 9, 2011.

Sec. 84.008. SEVERABILITY. If any clause or provision of this chapter or its application to any person or organization is held unconstitutional, such invalidity does not affect other clauses, provisions, or applications of this chapter that can be given effect without the invalid clause or provision and shall not affect or nullify the remainder of the Act or any other clause or provision, but the effect shall be confined to the clause or provision held to be invalid or unconstitutional and to this end the Act is declared to be severable.

Added by Acts 1987, 70th Leg., ch. 370, Sec. 1, eff. Sept. 1, 1987.