

ACT 248

S.B. NO. 1550-86

A Bill for an Act Relating to Liability of Officers or Directors of Nonprofit Corporations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 270, Session Laws of Hawaii 1985, Section 1, is amended by adding a new section to be appropriately designated and to read as follows:

“§ - **Exception to liability.** Any person who serves as an officer or director to the corporation without remuneration or expectation of remuneration shall not be liable for damage, injury, or loss caused by or resulting from the person’s performance of, or failure to perform, duties of the position to which the person was appointed, unless the person was grossly negligent in the performance of, or failure to perform, such duties.”

SECTION 2. Chapter 416, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§416- **Exception to liability.** Any person who serves as an officer or director to a nonprofit corporation without remuneration or expectation of remuneration shall not be liable for damage, injury, or loss caused by or resulting from the person’s performance of, or failure to perform, duties of the position to which the person was appointed, unless the person was grossly negligent in the performance of, or failure to perform, such duties.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved May 29, 1986.)

Note

1. Edited pursuant to HRS §23G-16.5.