

106TH CONGRESS
1ST SESSION

S. 844

To limit the civil liability of business entities that make available to a nonprofit organization the use of a motor vehicle or aircraft.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 1999

Mr. SANTORUM introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To limit the civil liability of business entities that make available to a nonprofit organization the use of a motor vehicle or aircraft.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LIABILITY OF BUSINESS ENTITIES PROVIDING**
4 **USE OF A MOTOR VEHICLE OR AIRCRAFT.**

5 (a) DEFINITIONS.—In this section:

6 (1) AIRCRAFT.—The term “aircraft” has the
7 meaning provided that term in section 40102(6) of
8 title 49, United States Code.

9 (2) BUSINESS ENTITY.—the term “business en-
10 tity” means a firm, corporation, association, part-

1 nership, consortium, joint venture, or other form of
2 enterprise.

3 (3) GROSS NEGLIGENCE.—The term “gross
4 negligence” means voluntary and conscious conduct
5 by a person with knowledge (at the time of the con-
6 duct) that the conduct is likely to be harmful to the
7 health or well-being of another person.

8 (4) INTENTIONAL MISCONDUCT.—The term
9 “intentional misconduct” means conduct by a person
10 with knowledge (at the time of the conduct) that the
11 conduct is harmful to the health or well-being of
12 another person.

13 (5) MOTOR VEHICLE.—The term “motor vehi-
14 cle” has the meaning provided that term in section
15 30102(6) of title 49, United States Code.

16 (6) NONPROFIT ORGANIZATION.—The term
17 “nonprofit organization” means—

18 (A) any organization described in section
19 501(c)(3) of the Internal Revenue Code of 1986
20 and exempt from tax under section 501(a) of
21 such Code; or

22 (B) any not-for-profit organization orga-
23 nized and conducted for public benefit and
24 operated primarily for charitable, civic, edu-
25 cational, religious, welfare, or health purposes.

1 (7) STATE.—The term “State” means each of
 2 the several States, the District of Columbia, the
 3 Commonwealth of Puerto Rico, the Virgin Islands,
 4 Guam, American Samoa, the Northern Mariana
 5 Islands, any other territory or possession of the
 6 United States, or any political subdivision of any
 7 such State, territory, or possession.

8 (b) LIMITATION ON LIABILITY.—

9 (1) IN GENERAL.—Subject to subsection (c), a
 10 business entity shall not be subject to civil liability
 11 relating to any injury or death occurring as a result
 12 of the operation of aircraft or a motor vehicle of a
 13 business entity loaned to a nonprofit organization
 14 for use outside of the scope of business of the busi-
 15 ness entity if—

16 (A) such injury or death occurs during a
 17 period that such motor vehicle or aircraft is
 18 used by a nonprofit organization; and

19 (B) the business entity authorized the use
 20 by the nonprofit organization of motor vehicle
 21 or aircraft that resulted in the injury or death.

22 (2) APPLICATION.—This subsection shall
 23 apply—

24 (A) with respect to civil liability under
 25 Federal and State law; and

1 (B) regardless of whether a nonprofit orga-
2 nization pays for the use of the aircraft or
3 motor vehicle.

4 (c) EXCEPTION FOR LIABILITY.—Subsection (b)
5 shall not apply to an injury or death that results from
6 an act or omission of a business entity that constitutes
7 gross negligence or intentional misconduct, including any
8 misconduct that—

9 (1) constitutes a crime of violence (as that term
10 is defined in section 16 of title 18, United States
11 Code) or act of international terrorism (as that term
12 is defined in section 2331 of title 18) for which the
13 defendant has been convicted in any court;

14 (2) constitutes a hate crime (as that term is
15 used in the Hate Crime Statistics Act (28 U.S.C.
16 534 note));

17 (3) involves a sexual offense, as defined by ap-
18 plicable State law, for which the defendant has been
19 convicted in any court; or

20 (4) involves misconduct for which the defendant
21 has been found to have violated a Federal or State
22 civil rights law.

23 (d) SUPERSEDING PROVISION.—

24 (1) IN GENERAL.—Subject to paragraph (2)
25 and subsection (e), this Act preempts the laws of

1 any State to the extent that such laws are incon-
2 sistent with this Act, except that this Act shall not
3 preempt any State law that provides additional pro-
4 tection from liability for a business entity for an in-
5 jury or death with respect to which the conditions
6 described in subparagraphs (A) and (B) of sub-
7 section (b)(1) apply.

8 (2) LIMITATION.—Nothing in this Act shall be
9 construed to supersede any Federal or State health
10 or safety law.

11 (e) ELECTION OF STATE REGARDING NONAPPLICA-
12 BILITY.—This Act shall not apply to any civil action in
13 a State court against a volunteer, nonprofit organization,
14 or governmental entity in which all parties are citizens of
15 the State if such State enacts a statute—

- 16 (1) citing the authority of this subsection;
17 (2) declaring the election of such State that this
18 Act shall not apply to such civil action in the State;
19 and
20 (3) containing no other provision.

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