
SENATE BILL 6313

State of Washington

58th Legislature

2004 Regular Session

By Senators T. Sheldon, Hale, Kohl-Welles, Eide, Shin, Jacobsen, B. Sheldon, Finkbeiner, Doumit, Prentice, McAuliffe, Regala, Berkey, Fairley, Winsley, Haugen and Rasmussen

Read first time 01/16/2004. Referred to Committee on Judiciary.

1 AN ACT Relating to liability of boards of directors or officers of
2 nonprofit corporations; and amending RCW 4.24.264.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 4.24.264 and 1987 c 212 s 1101 are each amended to
5 read as follows:

6 (1) Except as provided in subsection (~~(+2)~~) (3) of this section,
7 a member of the board of directors or an officer of any nonprofit
8 corporation is not individually liable for any discretionary decision
9 or failure to make a discretionary decision within his or her official
10 capacity as director or officer unless the decision or failure to
11 decide constitutes gross negligence.

12 (2) A member of the board of directors or an officer of a nonprofit
13 corporation is not individually liable for the nonprofit's failure to
14 comply with provisions of the Washington administrative code, unless
15 such failure to comply constitutes gross negligence.

16 (3) Nothing in this section shall limit or modify in any manner the
17 duties or liabilities of a director or officer of a corporation to the

1 corporation or the corporation's members.

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