



By Danny King – Contributor

<https://www.bizjournals.com/sanjose/news/2019/05/03/how-pamela-davis-graduate-thesis-became-the-work.html>

It took more than a decade for former U.C. Berkeley grad student [Pamela Davis](#) to fully prove her public policy thesis that a nonprofit is better suited to insure other nonprofit groups than a conventional insurance company, but she's proven it. The Ohio native — and occasional painter — oversees the Nonprofits Insurance Alliance, the Santa Cruz-based organization that has grown its asset base to more than \$500 million since its 1989 founding. The group's membership total has jumped more than 50 percent in the past five years to almost 19,000 nonprofits, charities and state associations as traditional insurance companies have grown more skittish about backing such groups.

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## Pamela Davis

- **Title:** Founder/CEO
  - **Organization:** Nonprofits Insurance Alliance
  - **Age:** 67
  - **Hometown:** Mansfield, Ohio
  - **Residence:** Santa Cruz
  - **Education:** Bachelors, Economics, U.C. Santa Cruz; Masters, Public Policy, U.C. Berkeley
  - **Career path:** Founded Nonprofits Insurance Alliance in 1989
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## **How did you get into the field?**

I was a graduate student at U.C. Berkeley, and there was a massive insurance crisis, and it didn't hit equally. Municipalities got hit really hard, medical-malpractice and nonprofit organizations just couldn't find insurance anywhere — they were considered a bunch of tree-huggers. I wrote my thesis about the problem, how the insurance companies were dictating what kind of social services could be covered. Anything with AIDS, sexual abuse — insurance companies would say, "We're not going to cover that." So I proposed that nonprofits could do a better job.

## **How long did it take for the group to get solid footing?**

It was 10 years before I could really breathe a sigh of relief. I spent years convincing the actuaries that these nonprofits were far better risks than they were predicted to be. Once they did, we were able to turn a lot of our liabilities into assets, and it became clear that the model was going to work.

## **What kind of nonprofits have most recently sought out your organization for insurance?**

Animal rescue organizations. These types of groups are primarily volunteer-run, and they usually take the overload of the Humane Society, foster them and find them homes. Commercial insurance companies tend to be reactionary — on animal rescue groups, they undercharged them, and rather than getting the price right, they cancelled. We've done these type of groups for 30 years.

## **What are your goals now?**

We're pursuing the Nonprofit Property Protection Act. It seems like a simple bill, but we've run into a buzzsaw that is the commercial insurance industry industrial complex. Half the industry is supporting us and half is fighting us. All we want to do is to be able to offer property insurance outside of California. We're authorized to do liability insurance, and that's been a far more difficult coverage, but we also need to be able to offer property coverage as well. It'd be an important accomplishment to get that bill through.

But I'm most proud of creating a legacy that will far outlive me, and not just amass dollars for myself. That's one of the most vicious teachings of capitalism — that there's a great satisfaction to being extremely wealthy. We really forget the joy of life fulfillment that comes with creating something for the community.