

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 840 (Delegate Braveboy)
Economic Matters

**Religious Corporations - Laws Governing Assets of United Methodist Church -
Repeal**

This bill repeals provisions of existing law that require all assets owned by any Methodist Church to be held in trust for the United Methodist Church and subject to the discipline, usage, and ministerial appointments of the United Methodist Church.

The bill takes effect June 1, 2014.

Fiscal Summary

State Effect: The bill does not directly affect governmental operations or finances.

Local Effect: The bill does not directly affect local governmental operations or finances.

Small Business Effect: None.

Analysis

Current Law: All assets owned by any Methodist Church, including any former Methodist Episcopal Church, Methodist Protestant Church, Methodist Episcopal Church, South, the Washington Methodist Conference, or Evangelical United Brethren Church, whether incorporated, unincorporated, or abandoned:

- are held by the trustees of the church in trust for the United Methodist Church; and
- are subject to the discipline, usage, and ministerial appointments of the United Methodist Church, as from time to time authorized and declared by the general conference of that church.

The absence of a trust clause in any deed or other conveyance executed before June 1, 1953, does not relieve or exclude a local church from its Methodist connectional responsibilities and does not absolve a local congregation or board of trustees of its responsibility to the United Methodist Church, if such an intent of the founders or the later congregations and boards of trustees is indicated by:

- the conveyance of the assets to the trustees of the local church or any of its predecessors;
- the use of the name, customs, and polity of the United Methodist Church in such a way as to be known to the community as part of this denomination; or
- the acceptance of the pastorate of ministers appointed by a bishop of the United Methodist Church or employed by the superintendent of the district in which the local church is located.

Also, unaffected by the bill, any local church in Garrett County that was affiliated formerly with the Evangelical United Brethren Church and that withdraws from the West Virginia United Methodist Conference is not prevented from retaining title to any assets it controls.

Other than provisions related to the United Methodist Church, State law does not explicitly grant control of assets of a member church to its parent religious organization.

Background: In 2008 members of the Sunnyside Episcopal Methodist Church in Frederick County renounced its affiliation with the United Methodist Church. *Baltimore Washington Conference of the United Methodist Church Inc., et al v. Sunnyside United Methodist Church, et al*, was a civil case regarding ownership of church property which was voluntarily dismissed in June 2010.

Additional Information

Prior Introductions: HB 1021 of 2013 received an unfavorable report from the House Economic Matters Committee. Its cross file, SB 910, was referred to the Senate Rules Committee, but received no further action. HB 1344 of 2012 received a hearing in the House Economic Matters Committee, but no further action was taken. Its cross file, SB 759, received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken. SB 1080 of 2012 was referred to the Senate Judicial Proceedings Committee, but no further action was taken. A similar bill, SB 1091 of 2010, passed the Senate, but no further action was taken by the House. Its cross file, HB 1554, received a hearing from the House Economic Matters Committee, but no further action was taken.

Cross File: SB 347 (Senator Muse) - Judicial Proceedings and Budget and Taxation.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2014
ncs/kdm

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