SENATE BILL 429

C1 (4lr0885)

ENROLLED BILL

— Judicial Proceedings/Economic Matters —

Introduced by Senator Bailey
Read and Examined by Proofreaders:
Proofreader
Proofreader.
Sealed with the Great Seal and presented to the Governor, for his approval this
day of at o'clock,M.
President
CHAPTER
AN ACT concerning
Corporations and Associations – Protestant Episcopal Church, Diocese of Washington and Study of Property Held in Trust by the United Methodist
Church
FOR the purpose of repealing uncodified provisions of law relating to the Protestant Episcopal Church, Diocese of Washington, commonly known as the "Vestry Act"; providing for the governance of religious corporations in union with the Protestant Episcopal Church, Diocese of Washington; requiring the State Department of Assessments and Taxation to report on the impact of repealing certain sections of the Corporations and Associations Article; and generally relating to the Protestant Episcopal Church, Diocese of Washington and a study of property held in trust by the United Methodist Church.
BY repealing and reenacting, without amendments, Article – Corporations and Associations

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



–341.

1 2 3	Section 5–301(a) Annotated Code of Maryland (2014 Replacement Volume and 2023 Supplement)
4 5 6 7 8	BY repealing and reenacting, with amendments, Article – Corporations and Associations Section 5–301(e) Annotated Code of Maryland (2014 Replacement Volume and 2023 Supplement)
9 10 11 12 13	BY adding to Article – Corporations and Associations Section 5–341 and 5–342 to be under the new part "Part VII. Protestant Episcopal Church, Diocese of Washington" Annotated Code of Maryland (2014 Replacement Volume and 2023 Supplement)
15 16	BY repealing Chapter 96 of the Acts of the General Assembly of 1976
17 18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
9	Article - Corporations and Associations
20	5–301.
21	(a) In this part the following words have the meanings indicated.
22	(e) "Trustees" means:
23 24	(1) As to a religious corporation subject to Part II of this subtitle, the corporators appointed or elected as provided in that part; and
25 26	(2) As to a religious corporation subject to Part V [or], Part VI, OR PART VII of this subtitle, the members of the vestry.
27	5-339. RESERVED.
28	5-340. RESERVED.
29	PART VII. PROTESTANT EPISCOPAL CHURCH, DIOCESE OF WASHINGTON.

- 1 (A) THIS PART APPLIES TO EVERY RELIGIOUS CORPORATION FORMED IN 2 THIS STATE BY A PARISH OR SEPARATE CONGREGATION THAT IS IN UNION WITH OR 3 INTENDING TO APPLY FOR UNION WITH THE CONVENTION OF THE PROTESTANT 4 EPISCOPAL CHURCH IN THE DIOCESE OF WASHINGTON, AS CREATED BY THE ACT OF CONGRESS APPROVED MARCH 16, 1896 (29 STAT. 58).
- 6 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION 7 OR OTHERWISE IN THIS PART:
- (I) PART I OF THIS SUBTITLE APPLIES TO AND REGULATES THE
 CORPORATE AND TEMPORAL AFFAIRS OF EVERY RELIGIOUS CORPORATION
 DESCRIBED IN SUBSECTION (A) OF THIS SECTION, INCLUDING THOSE
 INCORPORATED UNDER CHAPTER 24 OF THE ACTS OF THE GENERAL ASSEMBLY OF
 12 1798, UNDER CHAPTER 96 OF THE ACTS OF THE GENERAL ASSEMBLY OF 1976, OR
- 13 BY SPECIAL ACT OF THE GENERAL ASSEMBLY; AND
- (II) TO THE EXTENT NOT PROHIBITED BY THE CONSTITUTION
 OF THE UNITED STATES OR OF THIS STATE, THE CHARTER OF EACH OF THEM IS
 DEEMED TO BE AMENDED TO CONFORM TO THIS SUBTITLE UNTIL THE CHARTER
 OTHERWISE IS AMENDED BY THE PARISH OR SEPARATE CONGREGATION AS
 PROVIDED IN PART I OF THIS SUBTITLE.
- 19 (2) AS TO ANY PARISH OR SEPARATE CONGREGATION THAT WAS
 20 INCORPORATED BEFORE THE EFFECTIVE DATE OF THE MARYLAND CONSTITUTION
 21 OF 1851 AND THEREFORE HAS AN IRREPEALABLE CHARTER, UNLESS THAT PARISH
 22 OR SEPARATE CONGREGATION ACCEPTS, USES, ENJOYS, OR IN ANY WAY AVAILS
 23 ITSELF OF ANY RIGHT, PRIVILEGE, OR ADVANTAGE GRANTED OR CONFERRED BY
 24 ANY STATUTE ENACTED AFTER NOVEMBER 3, 1891:
- 25 (I) PART I OF THIS SUBTITLE DOES NOT APPLY TO THE PARISH 26 OR SEPARATE CONGREGATION; AND
- 27 (II) THE PARISH OR SEPARATE CONGREGATION CONTINUES TO 28 BE GOVERNED BY THE STATUTE UNDER WHICH IT WAS INCORPORATED.
- 29 **5–342.**
- 30 (A) (1) EACH RELIGIOUS CORPORATION SUBJECT TO THIS PART SHALL 31 ADOPT BYLAWS TO GOVERN ITS CORPORATE AND TEMPORAL AFFAIRS.
- 32 **(2)** Bylaws may be adopted by a majority of the qualified Voters voting at a regular or special congregational meeting called For that purpose.

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1 (B) EACH RELIGIOUS CORPORATION SUBJECT TO THIS PART IS SUBJECT AT
2 ALL TIMES TO THE CONSTITUTION AND CANONS OF THE CONVENTION OF THE
3 PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF WASHINGTON AND OF THE
4 PROTESTANT EPISCOPAL CHURCH IN THE UNITED STATES OF AMERICA.

SECTION 2. AND BE IT FURTHER ENACTED, That Chapter 96 of the Acts of the General Assembly of 1976 be repealed.

SECTION 3. AND BE IT FURTHER ENACTED, That since the vestries previously incorporated under the provisions of the original Vestry Act have not been required to file and record a certificate of incorporation, and the vestries of any separate congregation, after union with the convention of the Protestant Episcopal Church in the Diocese of Washington, have not been required to file and record a supplemental certificate signifying that union, the State Department of Assessments and Taxation, or its successor administrative body, may file and record a certificate, similar in every respect to the certificate required by § 5–304(b) of the Corporations and Associations Article, on the request of:

- 16 (1) any parish or separate congregation offering its own certificate for 17 record; or
- 18 (2) the convention of the Protestant Episcopal Church in the Diocese of 19 Washington on behalf of any parish or separate congregation that neglects or declines for 20 any reason to offer its own certificate for record, in which event the certificate may be made 21 and signed by the secretary of the convention instead of the vestry of the parish or separate 22 congregation.
 - SECTION 4. AND BE IT FURTHER ENACTED, That the legal existence of the following parishes and separate congregations in union with the Convention of the Protestant Episcopal Church in the Diocese of Washington as bodies corporate is recognized and acknowledged for all purposes:
- 27 in Mongomery County, Maryland: The Vestry of Ascension Parish, The 28 Vestry of Chevy Chase Parish, The Vestry of Christ Church Parish, The Vestry of Church 29 of Our Saviour, The Vestry of Good Shepherd Parish, The Vestry of Norwood Parish, The Vestry of Potomac Parish, The Vestry of Prince George's Parish, The Vestry of Redeemer 30 31 Parish, The Vestry of Silver Spring Parish, The Vestry of Sligo Parish, The Vestry of St. 32Anne's Parish, The Vestry of St. Bartholomew's Parish, The Vestry of St. Dunstan's Parish, 33 The Vestry of St. James' Parish, The Vestry of St. John's Church, The Vestry of St. Luke's Church, The Vestry of St. Mark's Parish, The Vestry of St. Nicholas' Parish, The Vestry of 34 35 St. Peter's Parish, The Vestry of Transfiguration Parish, The Vestry of Trinity Parish, and 36 The Vestry of Wheaton Parish;
- 37 (2) in Prince George's County, Maryland: The Vestry of Adelphi Parish, 38 The Vestry of Baden Parish, The Vestry of Clinton Parish, The Vestry of Epiphany Parish, 39 The Vestry of Glenn Dale Parish, The Vestry of Holy Trinity Parish, The Vestry of King

- 1 George's Parish, The Vestry of Queen Anne Parish, The Vestry of St. Andrew's Parish, The
- 2 Vestry of St. Barnabas' Parish, The Vestry of St. Christopher's Parish, The Vestry of St.
- 3 John's Parish, The Vestry of St. Matthew's Parish, The Vestry of St. Paul's Parish, The
- 4 Vestry of St. Philip's Parish, The Vestry of St. Thomas' Parish, and The Vestry of Zion
- 5 Parish;
- 6 (3) in Charles County, Maryland: The Vestry of Durham Parish, The
- 7 Vestry of Piney Parish, The Vestry of Port Tobacco Parish, The Vestry of St. James' Parish,
- 8 The Vestry of Trinity Parish, and The Vestry of William and Mary Parish; and
- 9 (4) in St. Mary's County, Maryland: The Vestry of All Faith Parish, The
- 10 Vestry of All Saints' Parish, The Vestry of King and Queen Parish, The Vestry of
- 11 Resurrection Parish, The Vestry of St. Andrew's Parish, and The Vestry of St. Mary's
- 12 Parish.
- SECTION 5. AND BE IT FURTHER ENACTED, That the bodies corporate named
- 14 in Section 4 of this Act shall be deemed properly incorporated and all persons, entities, and
- 15 instrumentalities, including the courts of this State and units of State government, shall
- 16 be estopped from denying the legal existence of those bodies corporate.
- 17 SECTION 6. AND BE IT FURTHER ENACTED, That this Act does not prohibit the
- 18 future dissolution or merger of the bodies corporate named in Section 4 of this Act pursuant
- 19 to the constitution and canons of the Convention of the Protestant Episcopal Church in the
- 20 Diocese of Washington and the applicable provisions of the laws of this State.
- 21 SECTION 7. AND BE IT FURTHER ENACTED, That, on or before December 31,
- 22 2024, the State Department of Assessments and Taxation shall report to the General
- 23 Assembly, in accordance with § 2-1257 of the State Government Article, on the impact of
- 24 repealing:
- 25 the requirement in § 5-326 of the Corporations and Associations Article
- 26 that certain assets owned by any Methodist Church be held by the trustees of the church
- 27 in trust for the United Methodist Church; and
- 28 <u>(2)</u> <u>the restrictions in § 5–327 of the Corporations and Associations Article</u>
- 29 on a deed or conveyance executed before June 1, 1953, that does not include a trust clause.
- 30 SECTION 7. 8. 7. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 31 July 1, 2024.