

SENATE BILL 429

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4r0885
CF HB 391

By: **Senator Bailey**

Introduced and read first time: January 19, 2024

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted with floor amendments

Read second time: March 2, 2024

CHAPTER _____

1 AN ACT concerning

2 **Corporations and Associations – Protestant Episcopal Church, Diocese of**
3 **Washington and Study of Property Held in Trust by the United Methodist**
4 **Church**

5 FOR the purpose of repealing uncodified provisions of law relating to the Protestant
6 Episcopal Church, Diocese of Washington, commonly known as the “Vestry Act”;
7 providing for the governance of religious corporations in union with the Protestant
8 Episcopal Church, Diocese of Washington; requiring the State Department of
9 Assessments and Taxation to report on the impact of repealing certain sections of
10 the Corporations and Associations Article; and generally relating to the Protestant
11 Episcopal Church, Diocese of Washington and a study of property held in trust by
12 the United Methodist Church.

13 BY repealing and reenacting, without amendments,
14 Article – Corporations and Associations
15 Section 5–301(a)
16 Annotated Code of Maryland
17 (2014 Replacement Volume and 2023 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Corporations and Associations
20 Section 5–301(e)
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 BY adding to
2 Article – Corporations and Associations
3 Section 5–341 and 5–342 to be under the new part “Part VII. Protestant Episcopal
4 Church, Diocese of Washington”
5 Annotated Code of Maryland
6 (2014 Replacement Volume and 2023 Supplement)

7 BY repealing
8 Chapter 96 of the Acts of the General Assembly of 1976

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
10 That the Laws of Maryland read as follows:

11 **Article – Corporations and Associations**

12 5–301.

13 (a) In this part the following words have the meanings indicated.

14 (e) “Trustees” means:

15 (1) As to a religious corporation subject to Part II of this subtitle, the
16 corporators appointed or elected as provided in that part; and

17 (2) As to a religious corporation subject to Part V [or], Part VI, **OR PART**
18 **VII** of this subtitle, the members of the vestry.

19 **5–339. RESERVED.**

20 **5–340. RESERVED.**

21 **PART VII. PROTESTANT EPISCOPAL CHURCH, DIOCESE OF WASHINGTON.**

22 **5–341.**

23 **(A) THIS PART APPLIES TO EVERY RELIGIOUS CORPORATION FORMED IN**
24 **THIS STATE BY A PARISH OR SEPARATE CONGREGATION THAT IS IN UNION WITH OR**
25 **INTENDING TO APPLY FOR UNION WITH THE CONVENTION OF THE PROTESTANT**
26 **EPISCOPAL CHURCH IN THE DIOCESE OF WASHINGTON, AS CREATED BY THE ACT**
27 **OF CONGRESS APPROVED MARCH 16, 1896 (29 STAT. 58).**

28 **(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION**
29 **OR OTHERWISE IN THIS PART:**

30 **(i) PART I OF THIS SUBTITLE APPLIES TO AND REGULATES THE**

1 CORPORATE AND TEMPORAL AFFAIRS OF EVERY RELIGIOUS CORPORATION
2 DESCRIBED IN SUBSECTION (A) OF THIS SECTION, INCLUDING THOSE
3 INCORPORATED UNDER CHAPTER 24 OF THE ACTS OF THE GENERAL ASSEMBLY OF
4 1798, UNDER CHAPTER 96 OF THE ACTS OF THE GENERAL ASSEMBLY OF 1976, OR
5 BY SPECIAL ACT OF THE GENERAL ASSEMBLY; AND

6 (II) TO THE EXTENT NOT PROHIBITED BY THE CONSTITUTION
7 OF THE UNITED STATES OR OF THIS STATE, THE CHARTER OF EACH OF THEM IS
8 DEEMED TO BE AMENDED TO CONFORM TO THIS SUBTITLE UNTIL THE CHARTER
9 OTHERWISE IS AMENDED BY THE PARISH OR SEPARATE CONGREGATION AS
10 PROVIDED IN PART I OF THIS SUBTITLE.

11 (2) AS TO ANY PARISH OR SEPARATE CONGREGATION THAT WAS
12 INCORPORATED BEFORE THE EFFECTIVE DATE OF THE MARYLAND CONSTITUTION
13 OF 1851 AND THEREFORE HAS AN IRREPEALABLE CHARTER, UNLESS THAT PARISH
14 OR SEPARATE CONGREGATION ACCEPTS, USES, ENJOYS, OR IN ANY WAY AVAILS
15 ITSELF OF ANY RIGHT, PRIVILEGE, OR ADVANTAGE GRANTED OR CONFERRED BY
16 ANY STATUTE ENACTED AFTER NOVEMBER 3, 1891:

17 (I) PART I OF THIS SUBTITLE DOES NOT APPLY TO THE PARISH
18 OR SEPARATE CONGREGATION; AND

19 (II) THE PARISH OR SEPARATE CONGREGATION CONTINUES TO
20 BE GOVERNED BY THE STATUTE UNDER WHICH IT WAS INCORPORATED.

21 5-342.

22 (A) (1) EACH RELIGIOUS CORPORATION SUBJECT TO THIS PART SHALL
23 ADOPT BYLAWS TO GOVERN ITS CORPORATE AND TEMPORAL AFFAIRS.

24 (2) BYLAWS MAY BE ADOPTED BY A MAJORITY OF THE QUALIFIED
25 VOTERS VOTING AT A REGULAR OR SPECIAL CONGREGATIONAL MEETING CALLED
26 FOR THAT PURPOSE.

27 (B) EACH RELIGIOUS CORPORATION SUBJECT TO THIS PART IS SUBJECT AT
28 ALL TIMES TO THE CONSTITUTION AND CANONS OF THE CONVENTION OF THE
29 PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF WASHINGTON AND OF THE
30 PROTESTANT EPISCOPAL CHURCH IN THE UNITED STATES OF AMERICA.

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

33 SECTION 3. AND BE IT FURTHER ENACTED, That since the vestries previously
34 incorporated under the provisions of the original Vestry Act have not been required to file

1 and record a certificate of incorporation, and the vestries of any separate congregation, after
 2 union with the convention of the Protestant Episcopal Church in the Diocese of
 3 Washington, have not been required to file and record a supplemental certificate signifying
 4 that union, the State Department of Assessments and Taxation, or its successor
 5 administrative body, may file and record a certificate, similar in every respect to the
 6 certificate required by § 5–304(b) of the Corporations and Associations Article, on the
 7 request of:

8 (1) any parish or separate congregation offering its own certificate for
 9 record; or

10 (2) the convention of the Protestant Episcopal Church in the Diocese of
 11 Washington on behalf of any parish or separate congregation that neglects or declines for
 12 any reason to offer its own certificate for record, in which event the certificate may be made
 13 and signed by the secretary of the convention instead of the vestry of the parish or separate
 14 congregation.

15 SECTION 4. AND BE IT FURTHER ENACTED, That the legal existence of the
 16 following parishes and separate congregations in union with the Convention of the
 17 Protestant Episcopal Church in the Diocese of Washington as bodies corporate is recognized
 18 and acknowledged for all purposes:

19 (1) in Montgomery County, Maryland: The Vestry of Ascension Parish, The
 20 Vestry of Chevy Chase Parish, The Vestry of Christ Church Parish, The Vestry of Church
 21 of Our Saviour, The Vestry of Good Shepherd Parish, The Vestry of Norwood Parish, The
 22 Vestry of Potomac Parish, The Vestry of Prince George's Parish, The Vestry of Redeemer
 23 Parish, The Vestry of Silver Spring Parish, The Vestry of Sligo Parish, The Vestry of St.
 24 Anne's Parish, The Vestry of St. Bartholomew's Parish, The Vestry of St. Dunstan's Parish,
 25 The Vestry of St. James' Parish, The Vestry of St. John's Church, The Vestry of St. Luke's
 26 Church, The Vestry of St. Mark's Parish, The Vestry of St. Nicholas' Parish, The Vestry of
 27 St. Peter's Parish, The Vestry of Transfiguration Parish, The Vestry of Trinity Parish, and
 28 The Vestry of Wheaton Parish;

29 (2) in Prince George's County, Maryland: The Vestry of Adelphi Parish,
 30 The Vestry of Baden Parish, The Vestry of Clinton Parish, The Vestry of Epiphany Parish,
 31 The Vestry of Glenn Dale Parish, The Vestry of Holy Trinity Parish, The Vestry of King
 32 George's Parish, The Vestry of Queen Anne Parish, The Vestry of St. Andrew's Parish, The
 33 Vestry of St. Barnabas' Parish, The Vestry of St. Christopher's Parish, The Vestry of St.
 34 John's Parish, The Vestry of St. Matthew's Parish, The Vestry of St. Paul's Parish, The
 35 Vestry of St. Philip's Parish, The Vestry of St. Thomas' Parish, and The Vestry of Zion
 36 Parish;

37 (3) in Charles County, Maryland: The Vestry of Durham Parish, The
 38 Vestry of Piney Parish, The Vestry of Port Tobacco Parish, The Vestry of St. James' Parish,
 39 The Vestry of Trinity Parish, and The Vestry of William and Mary Parish; and

40 (4) in St. Mary's County, Maryland: The Vestry of All Faith Parish, The

1 Vestry of All Saints' Parish, The Vestry of King and Queen Parish, The Vestry of
2 Resurrection Parish, The Vestry of St. Andrew's Parish, and The Vestry of St. Mary's
3 Parish.

4 SECTION 5. AND BE IT FURTHER ENACTED, That the bodies corporate named
5 in Section 4 of this Act shall be deemed properly incorporated and all persons, entities, and
6 instrumentalities, including the courts of this State and units of State government, shall
7 be estopped from denying the legal existence of those bodies corporate.

8 SECTION 6. AND BE IT FURTHER ENACTED, That this Act does not prohibit the
9 future dissolution or merger of the bodies corporate named in Section 4 of this Act pursuant
10 to the constitution and canons of the Convention of the Protestant Episcopal Church in the
11 Diocese of Washington and the applicable provisions of the laws of this State.

12 SECTION 7. AND BE IT FURTHER ENACTED, That, on or before December 31,
13 2024, the State Department of Assessments and Taxation shall report to the General
14 Assembly, in accordance with § 2-1257 of the State Government Article, on the impact of
15 repealing:

16 (1) the requirement in § 5-326 of the Corporations and Associations Article
17 that certain assets owned by any Methodist Church be held by the trustees of the church
18 in trust for the United Methodist Church; and

19 (2) the restrictions in § 5-327 of the Corporations and Associations Article
20 on a deed or conveyance executed before June 1, 1953, that does not include a trust clause.

21 SECTION ~~7~~ 8. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.