

SENATE BILL 172

C1
SB 586/25 – JPR

(PRE-FILED)

6lr1155

By: **Senator Muse**

Requested: October 10, 2025

Introduced and read first time: January 14, 2026

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: February 25, 2026

CHAPTER _____

1 AN ACT concerning

2 **Corporations and Associations – Methodist Churches – Trust Requirement**
3 **Repeal and Disaffiliation**

4 FOR the purpose of repealing a requirement that the assets of any Methodist Church be
5 held in trust for the United Methodist Church and be subject to the control of the
6 United Methodist Church; repealing a certain provision of law providing that the
7 absence of a trust clause in any deed or conveyance executed before a certain date
8 does not exclude certain local churches from certain provisions of law or
9 responsibilities related to the United Methodist Church; providing that a local
10 church that disaffiliates from the United Methodist Conference shall retain
11 ownership of its real property, subject to a certain reimbursement requirement; and
12 generally relating to Methodist churches.

13 BY repealing
14 Article – Corporations and Associations
15 Section 5–326 and 5–327
16 Annotated Code of Maryland
17 (2025 Replacement Volume)

18 BY adding to
19 Article – Corporations and Associations
20 Section 5–326
21 Annotated Code of Maryland
22 (2025 Replacement Volume)

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 renumbering
2 Article – Corporations and Associations
3 Section 5–328
4 to be Section 5–327
5 Annotated Code of Maryland
6 (2025 Replacement Volume)

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

9 **Article – Corporations and Associations**

10 **[5–326.**

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

15 (1) Shall be held by the trustees of the church in trust for the United
16 Methodist Church; and

17 (2) Are subject to the discipline, usage, and ministerial appointments of the
18 United Methodist Church, as from time to time authorized and declared by the general
19 conference of that church.]

20 **5–326.**

21 **(A) SUBJECT TO SUBSECTIONS (B) AND (C) OF THIS SECTION, A LOCAL**
22 **CHURCH MAY DISAFFILIATE FROM THE UNITED METHODIST CONFERENCE AND**
23 **RETAIN OWNERSHIP OF ITS PROPERTY.**

24 **(B) A DISAFFILIATING LOCAL CHURCH SHALL REIMBURSE THE UNITED**
25 **METHODIST CONFERENCE FOR FINANCIAL INVESTMENTS MADE BY THE UNITED**
26 **METHODIST CONFERENCE FOR THE ACQUISITION, MAINTENANCE, OR**
27 **IMPROVEMENT OF REAL PROPERTY USED BY THE LOCAL CHURCH IN ACCORDANCE**
28 **WITH SUBSECTION (C) OF THIS SECTION.**

29 **(C) (1) THE UNITED METHODIST CONFERENCE SHALL PROVIDE A**
30 **DISAFFILIATING LOCAL CHURCH WITH A FULL AND TRANSPARENT ACCOUNTING OF**
31 **ALL FUNDS THE UNITED METHODIST CONFERENCE HAS CONTRIBUTED FOR THE**
32 **ACQUISITION, MAINTENANCE, AND IMPROVEMENT OF THE REAL PROPERTY USED BY**
33 **THE LOCAL CHURCH FROM WHICH THE AMOUNT OF THE REIMBURSEMENT**
34 **REQUIRED UNDER SUBSECTION (B) SHALL BE DETERMINED.**

1 **(2) A DISAFFILIATING LOCAL CHURCH MAY NOT BE REQUIRED TO**
 2 **REIMBURSE THE UNITED METHODIST CONFERENCE FOR ANY AMOUNTS**
 3 **ATTRIBUTABLE TO FINANCIAL INVESTMENTS FOR THE ACQUISITION,**
 4 **MAINTENANCE, OR RENOVATION OF REAL PROPERTY MADE BY THE LOCAL CHURCH.**

5 [5-327.

6 The absence of a trust clause in any deed or other conveyance executed before June
 7 1, 1953, does not relieve or exclude a local church in any way from its Methodist
 8 connectional responsibilities or from the provisions of this part and does not absolve a local
 9 congregation or board of trustees of its responsibility to the United Methodist Church, if
 10 such an intent of the founders or the later congregations and boards of trustees is indicated
 11 by:

12 (1) The conveyance of the assets to the trustees of the local church or any
 13 of its predecessors;

14 (2) The use of the name, customs, and polity of the United Methodist
 15 Church in such a way as to be known to the community as part of this denomination; or

16 (3) The acceptance of the pastorate of ministers appointed by a bishop of
 17 the United Methodist Church or employed by the superintendent of the district in which
 18 the local church is located.]

19 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 5-328 of Article –
 20 Corporations and Associations of the Annotated Code of Maryland be renumbered to be
 21 Section(s) 5-327.

22 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 23 October 1, 2026.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.