

NEW JERSEY STATUTES
Title 16, Chapter 12
PROTESTANT EPISCOPAL CHURCH

ARTICLE 1. CONGREGATION OR PARISH

“Parish” construed as equivalent to “congregation” when used in this chapter. See 16:12-17.

16:12-1. Incorporation: meeting

Any congregation or parish of the Protestant Episcopal Church in this State, duly organized in accordance with the constitution and canons of such church, may incorporate in the following manner.

A meeting shall be called by notice, designating the time and place of such meeting and the object for which it is called, signed by the minister, if there be one, and 5 male members of full age, and read during public service at the usual place of worship, on the two successive Sundays next preceding. At such meeting only those persons who are qualified in accordance with the constitution and canons of the Protestant Episcopal Church in the diocese in which the parish is located shall be entitled to vote or act as officers. Five qualified voters shall constitute a quorum, and all questions shall be decided by a majority vote of those present. The minister shall preside at the meeting, but if he is absent, or if there be no minister in charge of the congregation, another person shall be chosen to act as chairman. The presiding officer shall be the judge of the qualification of voters, shall receive the votes and declare the result. A secretary shall be chosen to record the proceedings.

The meeting shall determine by ballot whether the congregation shall become incorporated, and if so determined, the meeting shall determine further:

- a. The corporate title, which shall be in the form as follows: “The Rector, Warden and Vestrymen ofChurch in”;
- b. The date of the annual meeting, which shall not be inconsistent with the constitution, canons or laws of such church; and
- c. The number of vestrymen, which shall be 3, 6, 9, or 12.

The meeting shall then elect, by ballot, two wardens; one to hold office until the first annual meeting, and the other to hold office until the second annual meeting thereafter. The number of vestrymen determined upon shall be elected in like manner; 1/3 to hold office until the first annual meeting, 1/3 until the second annual meeting, and 1/3 until the third annual meeting thereafter.

Amended by L 1961, c 11-1, p. 709, 1, eff. Nov. 29, 1961.

16:12-2. Certificate; acknowledgment: contents: filing and recording.

A certificate shall be executed, under the hands and seals of the chairman and secretary of the meeting and acknowledged or proved in the same manner as deeds of real estate, setting forth:

- a. That the meeting was called and organized as provided in section 16:12-1 of this title;
- b. The name assumed as the corporate title;
- c. The day fixed for the annual meeting;
- d. The number of vestrymen; and
- e. The names of the persons elected as wardens and vestrymen and their terms of office.

The certificate shall be filed and recorded forthwith in the office of the clerk of the county in which the parish is located, whereupon such wardens and vestrymen, together with the rector, shall be a corporation, and shall constitute the trustees and the vestry of the parish.

16:12-3. Powers.

Any parish of the Protestant Episcopal Church, duly incorporated hereunder or under any other law or charter or letters patent notwithstanding any restriction contained in its charter, letters patent, act of incorporation, or certificate of organization, shall have all the powers enumerated in section 16:1-1 of this title except as hereinafter specifically provided.

16:12-4. Sale, conveyance, mortgage or lease of real estate: Consent of bishop and standing committee.

No sale, conveyance or mortgage of any real estate other than burial lots in churchyards or cemeteries, and no lease for a longer term than one year shall be made by such corporation without the previous written consent of the bishop and a majority of the standing committee of the diocese within which the corporation is located, or in case of a vacancy in the office of the bishop, or of his absence from the diocese, then of a majority of the standing committee. Such consent shall be acknowledged or proved and recorded with the deed, lease, mortgage or instrument of conveyance. Without such consent, the sale, conveyance, mortgage or lease shall be void.

16:12-5. By-Laws

By-laws made by any such corporation shall be consistent with law and with the constitution and laws of the Protestant Episcopal Church.

16:12-6. Members and Officers

The rector shall be a member and the presiding officer of every such corporation, but if there be no rector, the wardens and vestrymen shall constitute the corporation, and one of the wardens shall be elected the presiding officer. A clerk or secretary, who shall be one of the vestrymen, and a treasurer shall be elected annually by the vestry, in such manner and subject to such restrictions as may be provided by the by-laws.

16:12-7/ Rector: filling vacancy

When a vacancy shall occur in the office of rector, in any manner whatsoever, the wardens and vestrymen, two-thirds of them concurring in the choice, may, subject to the constitution and canons of the Protestant Episcopal Church in the United States, and of the diocese in which the parish is located, choose some fit person, duly qualified, to be rector of the parish.

16:12-8. Meetings of vestry

Meetings of the vestry shall be called on at least 24-hours notice by:

- a. The rector at any time;
- b. The wardens, if there is no rector, or if the rector is absent from the diocese for three calendar months, or is incapable of acting, or if the rector has refused to call the meeting within one week after the receipt of a request signed by a majority of the members of the vestry; or
- c. A majority of the members of the vestry, in case of failure of the wardens to call such meeting within one week after the receipt of such request.

16:12-9. Vestry; quorum

To constitute a quorum of the vestry there must be present either:

- a. The rector, one of the wardens and a majority of the vestrymen; or
- b. The rector, both wardens and one less than a majority of the vestrymen; or
- c. The rector and two-thirds of the vestrymen; or
- d. If the rector is absent from the diocese, or is incapable of acting, and shall have been so absent or incapable for more than three calendar months, or if the meeting is called by the rector and he is absent therefrom, or if the meeting is called by the wardens or vestrymen and the rector is absent therefrom, one warden and a majority of the vestrymen, or both wardens and one less than a majority of the vestrymen.

If there is a rector called to or settled in the parish, no action shall be taken in his absence, relating to or affecting the personal or exclusive rights of the rector, or the alienation of the capital or principal of any investments held by the corporation, or the sale of its real estate, or the encumbrance thereof, except as may be necessary for ordinary repairs.

16:12-10. Annual parish election: notice: officers: qualifications of voters: ballot: quorum: by-law regarding wardens or vestrymen.

The annual election of any such parish shall be held on such day as may be designated in its certificate of incorporation, if consistent with the constitution, canons or laws of such church. Notice of the time and place of the annual election shall be given by advertisement set up in open view at the door of the church or usual place of worship, ten days prior to the election and shall also be read by the rector or officiating minister on the two Sundays next preceding the election in time of public service.

The rector shall preside with the right to vote, or if he is absent or if no rector is settled in the parish, the meeting shall choose one of the wardens, or if neither of the wardens is present, one of the vestrymen, or if no vestryman is present, then some duly qualified voter to act as chairman. The secretary of the vestry, or in his absence, a person appointed by the chairman, shall enter the proceedings in the minute book of the vestry, and shall sign the same together with the chairman. The qualifications for voters, and for such officers as may be elected by the meeting, shall be as provided from time to time by the constitution and canons of the Protestant Episcopal Church in the diocese in which the parish is located; provided, however, that, at any annual parish meeting held for the election of wardens or vestrymen, a by-law may be adopted providing that no warden or vestryman who has been duly elected at any parish meeting may succeed himself, which by-law shall remain in full force and effect until repealed at a subsequent annual parish meeting. The chairman shall be the judge of the qualifications of the voters, shall receive the votes and declare the result. The election shall be by ballot, and the polls shall remain open for ½ hour, and for such longer time as may be required to receive the ballots of the persons present and ready to vote. Three persons shall constitute a quorum. In case of failure to elect on the first ballot the required number of wardens or vestrymen to be elected at the meeting, one or more further ballots shall be taken in the same manner.

16:12-11. Election of officers: tenure

At each annual election of any such parish incorporated after March 20th, 1901, one warden shall be elected to hold office for two years, or until his successor is chosen, and one-third of the total number of vestrymen shall be elected to hold office for three years, or until their successors are chosen, and of any such parish incorporated prior to March 20th, 1901, both wardens and all the vestrymen may be elected to hold office for one year, or until their successors are chosen, or one warden shall be elected to hold office for two years or until his successor is chosen and one-third of the total number of vestrymen shall be elected to hold office for three years, or until their successors are chosen, notwithstanding any provisions in the charters of certificates of incorporation of any such parishes, congregations, societies, or churches.

16:12-12. Warden or vestryman; filling vacancy

In the event of a vacancy in the office of warden or vestryman caused by the failure of any candidate to receive a majority of the votes cast, the vacancy shall be filled at a special meeting of the parish, called forthwith and conducted as hereinafter provided. In the event of a vacancy caused by death, resignation, removal, incapacity, refusal or neglect for six months of any duly elected warden or vestryman to serve in such capacity, the vacancy may be filled by the vestry until the next annual meeting.

16:12-13. Special parish meetings

Special meetings of the parish for any of the purposes provided in this article, may be called by the rector at any time, or if there be no rector, by the wardens, upon the same notice as prescribed in section 16:12-10 of this title. The notice shall specify the object for which the meeting is called, and no vote shall be taken upon any question not specified in the notice. Special meetings shall be conducted in the same manner as the meetings for the annual election, but the votes may be counted and declared forthwith upon any question except the election of wardens and vestrymen.

16:12-14. Change; corporate title, number of vestrymen, tenure, annual meeting.

Any parish of the Protestant Episcopal Church, however incorporated, may change its corporate title, the number of its vestrymen, the terms of office of its wardens and vestrymen, or the date of its annual meeting. Such changes shall in all respects conform to the requirements of this article and shall be made in the following manner:

A meeting of the vestry shall be called and held in the manner provided by sections 16:12-8 and 16:12-9 of this title, except that at least one week's notice, stating the object hereof, shall be given to each member. If the vestry, by a two-thirds vote of all the members thereof, shall recommend such change or changes, a special parish meeting shall be called in the manner provided by section 16:12-13 of this title. If the meeting of the parish shall ratify the recommendations of the vestry by a two-thirds vote of those present balloting separately upon each proposed change, then a certificate shall be executed by the rector

and secretary, in the same manner as provided in section 16:12-2 of this title for the execution of the certificate of incorporation, and shall be immediately filed and recorded in the office of the clerk of the county in which the parish is located, whereupon the change shall take effect.

16:12-15. Consolidation

Two or more incorporated parishes of such church may consolidate and become one parish in the following manner:

A meeting of the vestry of each parish may be called by the rector or wardens upon one week's notice to each member. If each vestry shall determine by a vote of 3/4 of all the members thereof that such consolidation is advisable, a further resolution shall be adopted by a like vote, requesting the consent of the bishop and standing committee of the diocese of which the parishes are located. Such consent shall be given in writing, signed by the bishop and a majority of the standing committee, and acknowledged or proved in the same manner as deeds of real estate.

A special meeting of the congregation of each parish shall then be called and conducted in the manner provided in section 16:12-13 of this title. Each meeting shall determine by a vote of 3/4 of those present balloting separately upon each question:

- a. whether such consolidation is advisable, and if the determination is favorable; then
- b. whether the consolidated parish shall act under the charter of one of the consolidated parishes, or under a new certificate of organization;
- c. the corporate title of the consolidated parish, which may be identical with the name of the parish whose charter has been adopted. If no such charter is adopted, or if any change is made in the corporate title, it shall be in the form provided in section 16:12-1 of this title;
- d. the date of the annual meeting, which shall not be inconsistent with the constitution, canons or laws of such church;
- e. the number of vestrymen, which shall be identical with the number fixed by the charter adopted, or if any change is made, shall be 3, 6, or 9; and
- f. the wardens and vestrymen, who shall be chosen either in accordance with the provisions of the charter adopted, or as hereinbefore provided for new parishes.

A certificate shall then be made by the rector and secretary of each parish, and executed and acknowledged in accordance with section 16:12-2 of this title, setting forth:

- a. the meeting and action of the vestry;
- b. that the bishop and a majority of the standing committee have consented; and
- c. the meeting of the congregation, and its action upon the questions required to be determined.

All such certificates, and the written consent of the bishop and the standing committee, shall be forthwith filed and recorded together in the offices of the clerks of the counties in which the parishes are located. Thereupon the consolidated parish shall immediately become vested with all the temporalities and real and personal property of the parishes so consolidated.

Amended by L1961, c114, p. 711 3, eff. Nov. 29, 1961.

16:12-16. Extinct parish: disposition and use of property and income: filing and recording of certificate showing parish extinct.

If and when the convention of said church which has ecclesiastical jurisdiction over a parish shall determine that regular church services are no longer maintained by such parish, or that the parish no longer elects wardens and a vestry in accordance with its certificate of incorporation, said convention may declare such parish extinct, and thereupon the corporation having title to the property of said parish shall be thereby dissolved and the property of said parish and all rights and interest of said parish pertaining to property shall vest in the corporation organized to hold in trust property under the control of said convention, in trust, for the same religious purposes and with the power of disposition and sale to the same extent as the same vested or would have vested in the corporation having the title to the property of said parish before it became extinct; provided, however, that this act shall not affect the reversionary interest of any person or persons in such property. Said property and the income therefrom and the proceeds of sale thereof shall be applied to religious and charitable uses connected with the church, and the convention may direct the use to which the same or any part thereof shall be applied and may direct the transfer thereof or any part thereof to any incorporated parish or other corporation, the funds of which are devoted to carrying on any of the objects or purposes of said church in said diocese. If and when the convention of said church shall make such determination and declare a parish extinct, a certificate of such action by the convention under the seal of the convention, signed by the bishop or other officer who presided at the meeting of the convention at

which such action was taken and attested by the secretary of said convention and duly acknowledged, shall be filed and recorded in the office of the county clerk of the county where the certificate of incorporation of said parish has been filed, or where such extinct parish is located.

Amended by L1984, c.34, 1, eff. June 18, 1984

16:12-17. "Parish" as meaning "congregation"

The word "parish" when used in this chapter shall be construed to be equivalent to "congregation" whenever necessary to carry out the object and intent of the chapter.

16:12-18. Incorporation

When any diocese now or hereafter created in this State under and by virtue of the authority of the general convention of the Protestant Episcopal Church in the United States of America shall desire to incorporate, the convention of the diocese may, at any regular meeting thereof, in which a majority of the parishes belonging thereto are represented by both clerical and lay deputies, declare their desire and intention to become such corporation by resolution. A copy of such resolution, together with a certificate stating the name of such diocese and the name of its president, secretary and standing committee, which shall consist of not less than four clerical and four lay members, duly signed by such president and secretary in the presence of one of the judges of the Superior Court or one of the justices of the Supreme Court, shall be filed in the office of the Secretary of State. Thereupon such convention shall be a corporation by the name of title stated in such certificate.

16:12-19. Powers: holding property in trust

Such corporation shall have all the powers enumerated in section 16:1-4 of this title, except the power stated in paragraph "I" of said section.

All the estate and property of such diocese shall be vested in and managed by such corporation, which may also take and hold by gift, grant, devise, bequest or otherwise, any property in trust for religious, ecclesiastical, charitable or educational objects appertaining to or under the control of the convention or other ecclesiastical authority of the Protestant Episcopal Church in the diocese, and may carry out the objects of such trust, if consistent with the constitution, canons or laws of such church.

16:12-20. Trustees; certificate of incorporation; filing; powers

The corporation may appoint or elect as trustees, in such manner as may be determined, not less than five discreet persons, who are members of the Protestant Episcopal Church, and citizens of this state, residing within the limits of the diocese. A certificate, under the hand and seal of the president and secretary of the convention, stating the corporate name selected for such trustees and also the names of such trustees, shall be filed in the office of the secretary of state. Thereupon such trustees and their successors shall be a corporation, under the name and title so certified, with the powers enumerated in section 16:1-4 of this title, except the power stated in paragraph "I" of said section.

16:12-21. Management of funds; property in trust.

Such trustees shall have the management and care of any fund already existing, or which may hereafter be contributed, acquired or received, and any accumulations thereof, for the support of the episcopate of the diocese, and the appropriation of the income of the fund for that purpose, according to the direction to be from time to time given by the convention of the diocese. Such trustees may also take and hold by gift, grant, devise, bequest or otherwise, any property, funds or securities of any kind in trust for religious, ecclesiastical, charitable or educational purposes, appertaining to or under the control of the convention or other ecclesiastical authority of the diocese, and may carry out the objects of such trust, if consistent with the constitution, canons or laws of such church.

16:12-22. Statement of proceedings and account; removal of trustee; filling vacancy.

Such trustees shall present to each regular diocesan convention a statement of their proceedings, exhibiting the condition of the fund, together with an account of their receipts and disbursements. They may provide by-laws for the removal of a trustee for good cause, and, on such removal, may declare the place vacant. Any vacancy in the office of trustee, whether the same occur by death, resignation or removal of a trustee, may be filled by the trustees until the next regular meeting of such convention. The convention shall permanently fill all vacancies existing in the trustees.

16:12-23. Division of property on division of diocese.

When any diocese of the Protestant Episcopal Church in the United States of America within the State of New Jersey, has been or shall be divided into two or more dioceses, the body of the trustees holding in trust or having control of the fund for the support of the bishop of such original or dividing diocese may make such division of all property as agreed upon by the original and the new diocese, whether after or in prospect of such division, and may assign, transfer and set over the same to such trustees as may be appointed for such new diocese, to hold to them and their successors for the trust imposed upon them. If such division is made, all trusts in relation to the securities thereby conveyed, incumbent upon the former trustees, shall cease and be discharged.

16:12-14. Change of corporate names: filing certificate

The incorporated convention of any diocese of the Protestant Episcopal Church may, by resolution at any regular meeting thereof, change the corporate name of the diocese or the corporate name of any or all boards of trustees selected by them, that have been or shall become incorporated. Such change shall take effect upon filing in the office of the Secretary of State a copy of the resolution, certified by the president and secretary of the convention, under their hands and seals, and acknowledged by them.

Amended by L. 1953, c.16, p.143, 10, eff. March 19, 1953

16:12-25. Effect of change on property rights and liabilities

After such change of name such corporations shall respectively hold, convey and administer, under and by their new name, all the property, estates, trusts, rights, privileges and franchises which they had under their former name, and may receive, hold, convey and administer all estates, gifts, bequests, devises, conveyances and trusts given or made to them by their new name or any former name, as fully and to the same intent as if such name had not been changed and such estates, gifts, bequests, devises, conveyances and trusts had been given or made to them by their former name.

Such change of name shall not impair any legal liability or obligation of or to such corporations.

16:12-16. Establishment of trust fund

The Diocesan Convention of any diocese of the Protestant Episcopal Church within the State of New Jersey may, by canon or by-law, establish a common trust fund for the purpose of furnishing investments to itself and any trustees, incorporated or unincorporated, holding funds for the benefit of the missionary, religious, benevolent, charitable or educational purposes of said diocese and to any church, parish, congregation, society, chapel, or mission of, or connected with, the Protestant Episcopal Church in the said diocese, whether said funds are held as fiduciary or otherwise.

16:12-27. Investment in trust fund

Notwithstanding the provisions of any other law of this State in any way limiting the right of said trustees, parishes, congregations, societies, chapels, or missions as fiduciaries or otherwise, to invest any or all of their funds in shares of or interests in property, estates, trusts, rights, privileges and franchises which they had under their former name, and may receive, hold, convey and administer all estates, gifts, bequests, devises, conveyances and trusts given or made to them by their new name or any former name, as fully and to the same intent as if such name had not been changed and such estates, gifts, bequests, devises, conveyances and trusts had been given or made to them by their former name.

Such change of name shall not impair any legal liability or obligation of or to such corporation.

16:12-28. Name of fund; management; incorporation: powers of incorporation

Said common trust fund, shall be designated as the Diocesan Investment Trust of the Diocese of(name of Diocese) and shall be under the management and control of trustees who shall be elected as provided by the canons or by-laws of the Diocesan Convention of the diocese in which said investment trust fund is created. The trustees of said fund and their successors, shall be incorporated by filing a certificate under the hand and seal of the president and secretary of the convention stating the corporate name as aforesaid and also the names of such trustees, in the office of the Secretary of State and thereupon, such trustees and their successors shall be a corporation under the name and title so certified with the following powers:

- a. Have perpetual succession as such corporation;
- b. Sue and be sued, plead and be impleaded in any court;
- c. Adopt and use a common seal and alter and renew the same at pleasure;
- d. Appoint and employ such officers, agents, employees, advisers, banks and trust companies

as may be necessary in the proper management of said trust and fix their compensation;

e. Make by-laws and rules consistent with law, for the regulation and management of its affairs, properties and institutions;

f. Acquire, purchase, receive, have and hold and take by devise, bequest or gift without limit, real and personal property of all kinds, church edifices, schoolhouses, college buildings, parsonages, sister's houses, hospitals, orphan asylums, and all other kinds of religious, ecclesiastical, educational and charitable institutions, and the lands whereon the same are or may be erected, and cemeteries or burial places, and any real estate suitable for any or all of said purposes;

g. Lease, grant, sell and dispose of all or any part of such property;

h. Borrow money for the purposes of the corporation, and give bonds and mortgages therefor on any part of its property;

i. Exercise any corporate powers necessary and proper for the carrying out of the above-enumerated powers and the purposes of the corporation and its institution.

16:12-29. Authority to retain investments

The corporation is authorized to retain in its absolute discretion and for such period as to the said trustees shall seem advisable any and all investments and other properties which may be entrusted to it by any of the said trustees, parishes, congregations, societies, chapels or missions.

16:12-30. Reinvestments; securities in which funds may be invested

The corporation is also authorized to change investments and properties and to invest and reinvest all or any part of the fund in such securities, investments, or other property as to the said trustees shall seem advisable without being restricted to those classes of securities which are lawful for the investment of trust funds under the laws of this State.

16:12-31. Dividends

The corporation shall pay ratably among the holders of shares or interests then outstanding, annually, or in the discretion of said trustees, more frequently, dividends which shall approximately equal in each fiscal year, the net income of the trust, after establishing such reserves as they may deem advisable.

Note: Although Title 16 does not contain any provision for voluntary dissolution of a corporation organized under that Title, the "New Jersey Nonprofit Corporation Act" (Laws of 1983, chapter 127) does contain a chapter on Dissolution (N.J. Statutes, Title 15A, Chapter 12) and expressly makes dissolution under that Chapter, which includes voluntary dissolution, available to religious corporations organized under Title 16. See N. J. Statutes, Title 15A, Chapter 1, Section 3b.