

The Supreme Court must decide this question: When a local church that had been a member of a national religious body leaves the national church (the technical term is to “disaffiliate” from the church), who owns the local church building and the property on which it sits — the local church or the national church?

The St. James Parish in Newport Beach had been a member of the Protestant Episcopal Church in the United States of America within the Los Angeles Diocese. But it has recently disaffiliated from the national church due to a dispute over church doctrine. The Episcopal Church ordained an openly gay man as a bishop in New Hampshire in 2003. The majority of the members of St. James Parish disagreed with that action and, as a result, voted to disaffiliate from the national church and join the Anglican Church of Uganda. In this litigation, both St. James Parish and the national Episcopal Church (supported by the Los Angeles Diocese) claim to own the church property in Newport Beach.

St. James Parish claims ownership because the deeds to the property are in its name and the property was always locally owned and managed. The national Episcopal Church argues that St. James Parish has always promised to remain a part of the national church and to abide by the national church’s rules. Those rules provide that the local church owns church property only so long as it remains a member of the national church, and if it leaves the church, the property reverts to the national church. The trial court ruled in favor of the local church; the Court of Appeal ruled in favor of the national church. The dispute has now arrived at the Supreme Court.

More generally, the court must decide how the civil courts of this state should approach the resolution of church property disputes like this one without getting entangled with religion or violating the freedom of religion that the First Amendment to the United States Constitution guarantees. In this regard, two United States Supreme Court decisions are particularly important and will probably be mentioned at oral argument: (1) *Watson v. Jones*, decided in 1871; and (2) *Jones v. Wolf*, decided in 1979. *Watson v. Jones* said that when it comes to questions of church *doctrine*, courts must accept as binding the decision of the highest “church authority” that ruled on the question. *Jones v. Wolf* permits, but does not require, state courts to use “neutral principles of law” when deciding church *property disputes*. In other words, courts may use the same principles of law they use to resolve property disputes in general. The intermediate Courts of Appeal in California have generally been using the neutral principles of law approach, but the California Supreme Court has not yet decided the point — and might do so in this case.