You Gave the Church Away? The Court and Church Property Disputes

Theresa Lynn Sidebotham, Esq. Telios Law PLLC tls@telioslaw.com

You hate to see a case with a caption like *God's Hope Builders, Inc. v. Mount Zion Baptist Church*, since it seems unlikely the lawsuit is what God would have hoped for. The Georgia Court of Appeals, on March 28, 2013, remanded this case with orders to the trial court to figure out, if it legitimately could, who the church members actually were.

Clayton Dial and Angela Ballard are a father and daughter who had apparently long exercised most of the power in a small Southern Baptist church that dated back to before 1845. By early 2010, the church was dying. Dial and Ballard found a new full-time pastor, Pastor Allen. Within a few months, attendance had risen quite a bit and new members had joined. But for some reason, Dial and Ballard decided they disliked both the new pastor and the new members, and tried to freeze the membership.

When the new members objected to this tactic, Dial, as the sole director of the church's corporation, simply conveyed all the church's property to God's Hope Builders (for no money), and locked the congregation out.

Pastor Allen and other members sued, saying the conveyance was unlawful. The trial court agreed, deciding that plaintiffs represented a majority of the church. Defendants appealed, arguing that the plaintiffs were not a majority and did not have standing even to bring the lawsuit.

The Court of Appeals pointed out that courts may not inquire into a controversy about matters of faith. However, when a dispute takes place in a congregational church, and the lawsuit is brought by a majority of the congregation, a court can determine property rights (under Georgia law). So here, the key issue was whether the lawsuit was brought by a majority of the church's members.

The Court of Appeals stated that not enough evidence had been presented about some of the members to be sure that the church bylaws were being followed properly in counting them. It remanded for the trial court to decide whether plaintiffs were members under the church bylaws--if it could do so without analyzing theological matters--and whether plaintiffs had standing.

This case may be the deathblow to this little church, and an ignominious finish to its long history.