WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 561

By Senator Azinger

[Introduced January 21, 2026; referred

to the Committee on the Judiciary]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section, designated §35-1-14, relating to disaffiliation from religious denominations and generally relating to property of religious organizations; requiring a two-thirds vote of the membership for disaffiliation; establishing classes of property for purposes of disaffiliation; treating each separately deeded parcel of real property as a distinct unit for Class A purposes; providing that a local religious organization that disaffiliates from a parent religious denomination or conference may retain ownership of each parcel of real property (Class A) if more than 50 percent of the costs for acquiring and improving that specific parcel were raised locally by or from the organization, subject to reimbursement of investments made by the parent religious denomination or conference; providing for ownership of chattel and personal property (Class B) based on the purchaser; providing for pro-rata ownership of intangible property (Class C) based on sources of funds over a two-year lookback period; providing a catch-all provision for classification of property by a court, mediator, or arbitrator; establishing a burden of proof on the parent religious denomination or conference; requiring the parent religious denomination or conference to provide accounting within a specified timeline; and providing for severability and application to affiliations entered into or reaffirmed on or after the effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. RELIGIOUS ORGANIZATIONS.

§35-1-14. Disaffiliation from religious denominations; retention and division of property.

(a) For the purposes of this section:

(1) "Class A property" means real estate, including land, buildings, and fixtures attached thereto. Each separately deeded parcel of real property shall be treated as a distinct unit of Class A property.

(2) "Class B property" means chattel and personal property, including furniture, equipment, vehicles, and other tangible movable items.

(3) "Class C property" means intangible property, including investments, certificates of deposit, cash, bonds, bank accounts, and similar financial assets.

(4) "Membership" means the persons entitled to vote in the governance of the local religious organization under its bylaws or governing documents.

(b) Disaffiliation under this section is effective only if approved by at least two-thirds of the membership present and voting at a duly called meeting for that purpose, notice of which has been given in accordance with the organization's governing documents.

(c) Upon receipt of a written request for disaffiliation from a local religious organization that includes certification of compliance with subsection (b) of this section, the parent religious denomination or conference shall provide the disaffiliating local religious organization with a full and transparent accounting of all relevant financial contributions and property ownership details within 60 days, as specified in subsections (d), (e), and (f) of this section. This accounting shall distinguish between contributions or purchases made by the parent religious denomination or conference and those made or raised locally by or from the organization.

(d) Class A property (real estate):

(1) Subject to subdivisions (2) and (3) of this subsection, a local religious organization may disaffiliate from its parent religious denomination or conference and retain ownership of each separately deeded parcel of Class A property if more than 50 percent of the total costs for the acquisition and improvement of that specific parcel were raised locally by or from the organization, excluding any funds provided by the parent religious denomination or conference.

(2) A disaffiliating local religious organization shall reimburse the parent religious denomination or conference for financial investments made by the parent religious denomination or conference for the acquisition, maintenance, or improvement of each separately deeded parcel of Class A property used by the local religious organization in accordance with subdivision (3) of this subsection.

(3) (A) The accounting required under subsection (c) of this section shall include details for each separately deeded parcel of Class A property and distinguish between funds contributed by the parent religious denomination or conference and those raised locally by or from the organization to determine eligibility under subdivision (1) of this subsection and the amount of the reimbursement required under subdivision (2) of this subsection.

(B) The parent religious denomination or conference bears the burden of proving the amounts of its contributions through documented evidence, such as receipts, financial records, or other verifiable proof.

(C) If the parent religious denomination or conference fails to provide the accounting within the 60-day timeline or fails to meet its burden of proof for any claimed amounts with respect to a specific parcel, the local religious organization shall be presumed to meet the eligibility requirements under subdivision (1) of this subsection for that parcel, and reimbursement shall be waived for any unproven or undocumented amounts related to that parcel.

(D) A disaffiliating local religious organization may not be required to reimburse the parent religious denomination or conference for any amounts attributable to financial investments for the acquisition, maintenance, or improvement of any parcel of Class A property made by the local religious organization or raised locally by or from the organization.

(e) Class B property (chattel and personal property):

(1) Ownership of Class B property shall be retained by the party that purchased or acquired it.

(2) The accounting required under subsection (c) of this section shall include details for Class B property, identifying the purchaser or source of acquisition for each item.

(3) The parent religious denomination or conference bears the burden of proving its ownership of any disputed Class B property through documented evidence, such as receipts, financial records, or other verifiable proof.

(4) If the parent religious denomination or conference fails to provide the accounting within the 60-day timeline or fails to meet its burden of proof for any claimed items, the local religious organization shall retain ownership of the disputed Class B property.

(f) Class C property (intangible property):

(1) Ownership of Class C property shall be divided on a pro rata basis based on the sources of funds contributed to or generating the property during the two-year period immediately preceding the date of the written disaffiliation request. If all funds were provided or raised locally by or from the organization during this period, the local religious organization shall retain full ownership. If the parent religious denomination or conference provided funds during this period, the property shall be divided proportionally according to the contributions from local sources versus those from the parent religious denomination or conference.

(2) The accounting required under subsection (c) of this section shall include a detailed breakdown of all sources of funds for Class C property over the two-year lookback period, distinguishing between local and parent contributions.

(3) The parent religious denomination or conference bears the burden of proving the amounts and sources of its contributions through documented evidence, such as receipts, financial records, or other verifiable proof.

(4) If the parent religious denomination or conference fails to provide the accounting within the 60-day timeline or fails to meet its burden of proof for any claimed contributions, the local religious organization shall retain full ownership of the Class C property.

(g) Catch-all provision for property classification:

For any property that does not clearly fall within Class A, Class B, or Class C as defined in subsection (a) of this section, a court, mediator, or arbitrator shall determine the appropriate class assignment based on the nature of the property and the principles outlined in this section.

(h) Severability and application to future affiliations:

(1) If any provision of this section or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

(2) This section shall apply to any affiliation, trust relationship, or governing arrangement between a local religious organization and a parent religious denomination or conference that is entered into, reaffirmed, or otherwise remains in effect on or after October 1, 2026. If the application of this section to affiliations, trust relationships, or governing arrangements that existed before October 1, 2026, is held unconstitutional, such holding shall not affect the validity or application of this section to affiliations, trust relationships, or governing arrangements entered into, reaffirmed, or remaining in effect on or after October 1, 2026.

(i) This section shall take effect on October 1, 2026.

NOTE: The purpose of this bill relates to disaffiliation from religious denominations and generally relates to property of religious organizations; requires a two-thirds vote of the membership for disaffiliation; establishes classes of property for purposes of disaffiliation; treats each separately deeded parcel of real property as a distinct unit for Class A purposes; provides that a local religious organization that disaffiliates from a parent religious denomination or conference may retain ownership of each parcel of real property (Class A) if more than 50 percent of the costs for acquiring and improving that specific parcel were raised locally by or from the organization, subject to reimbursement of investments made by the parent religious denomination or conference; provides for ownership of chattel and personal property (Class B) based on the purchaser; provides for pro rata ownership of intangible property (Class C) based on sources of funds over a two-year lookback period; provides a catch-all provision for classification of property by a court, mediator, or arbitrator; establishes a burden of proof on the parent religious denomination or conference; requires the parent religious denomination or conference to provide accounting within a specified timeline; and provides for severability and application to affiliations entered into or reaffirmed on or after the effective date.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.