

Diocese of New Jersey Report of the Standing Committee on Constitution and Canons 2013

Introduction

The Committee reviewed requests received from members of the diocese for changes in the constitution and canons of the diocese. In addition, Diocesan Canon 75, Section 4, provides that "Following each meeting of the General Convention, the Standing Committee on Constitution and Canons must (a) review any changes to Canons of The Episcopal Church approved by such meeting and (b) propose to the next diocesan Convention amendments to Diocesan Canons so as to conform them to such changes in Canons of The Episcopal Church." The General Convention met in regular session in July 2012, and the Committee has reviewed legislative changes to Episcopal Church Canons as required by this provision.

Part I of this Report covers a change prompted by the actions of General Convention; the remaining parts cover matters carried over from prior Reports or matters newly presented to the Committee for this year.

Part I Canon 62

The Committee has taken note of General Convention Resolution 2012-B020:

Resolved, the House of Deputies concurring, That Title III, Canon 9, Section 13(g)(2) be deleted as follows:

~~(2) In the course of proceedings under this Canon, if allegations of misconduct are made by the Vestry against the Rector that could constitute an Offense under Title IV, all proceedings under this Canon with respect to such allegations shall be suspended until the allegations have been resolved or withdrawn.~~

The proposers' explanation for this change was that the provision deleted "conflicts with a congregation's ability to take responsible action in resolving the breakdown of the pastoral relationship between the parish and its Rector." Diocesan Canon 62(4) provides:

SECTION 4. The provisions of Canon III.9.13(g)(2) shall only apply if a majority of the Vestry based on a vote in a duly called meeting agrees to initiate proceedings against the Rector under Title IV of the Canons of The Episcopal Church.

With the deletion of III.9.13(g)(2), Canon 62(4) is unnecessary. Since this is the last section of Canon 62, no renumbering is necessary.

The Committee found no other actions of General Convention that required further amendments to Diocesan canons.

Accordingly, the Committee moves the following implementing resolution:

Implementing Resolution I: *Resolved*, That Section 4 of Canon 62 of the Canons of the Diocese of New Jersey be deleted.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part II Canon 13 (Perfater)

As reported two years ago, Charles Perfater, former Chief Financial Officer of the diocese, proposed an amendment to simplify Canon 13, governing the Trustees of Diocesan Trust Funds. In light of the work done by the Finance and Budget Committee's Joint Task Force on Diocesan Trust Funds and the implementation of their report last year, the Committee on Constitution and Canons does not believe that further simplifications or clarifications of Canon 13 are necessary at the present time. The above is reported for information only and not for action at this Convention.

Part III Canon 16

As reported three years ago, Diocesan Canon 16 governs congregational support of the diocese by the Fair Share Pledge. The Fair Share Askings are calculated upon the "Income Base" derived from each congregation's annual Parochial Report. The Committee had received a proposal from the Finance Committee of Christ Church, New Brunswick, to amend this definition to exclude from the Income Base the amount of investment principal expended for normal operations. This amendment was also one of the suggestions contained in the 2009 Report of the Diocesan Task Force on Restructure. As reported last year, the Committee at the request of Bishop Cancell deferred action on this proposal pending a more thorough review of the Fair Share process.

Since last year the Accountability & Fair Share Task Force has reviewed extensively this and other issues surrounding the Fair Share calculation and operation and has proposed a change in the percentage amounts for the Fair Share Asking. Askings would be based on a three-year average of congregational income rather than the single most recent year. Again, their proposal emphasizes that a tithe of ten percent of the congregation's Income Base will be the minimum contribution to the finances of the diocese. The Task Force had considered more extensive changes relating to review of, adjustments to, and possible sanction mechanisms for Pledges less than the Askings, but it is deferring a formal proposal on these matters until next year.

The Committee has reviewed the Task Force's proposals and consulted with the Rev'd Paul Van Sant, its chair, as to the work and recommendations of the Task Force in the context of existing canons. Accordingly, in order to implement the current proposals of the Task Force, the Committee moves the following implementing resolution:

Implementing Resolution III: *Resolved*, That Canon 16 of the Canons of the Diocese of New Jersey be amended to read as follows (deletions shown by strikethrough, insertions by double-underline):

CANON 16

Fair Share Pledge

SECTION 1. Each Diocesan Congregation shall be asked to support the Diocesan Budget with a Fair Share Pledge, which shall be determined as follows: and paid in accordance with the provisions of this Canon.

~~(a) — A tithe, which shall be ten percent of each Diocesan Congregation's Income Base, shall be requested to support the basic obligations of the Diocese, which shall include the cost of supporting the Bishop, the diocesan staff and facilities, legal and insurance requirements, direct support payments to mission congregations, funding for social and ethnic ministries, gatherings in the Diocese and of the church, and an amount equal to a tithe of total Fair Share Pledges to the Domestic and Foreign Missionary Society ("The Episcopal Church".) Each Diocesan Congregation shall pay its tithe unless for good cause prevented.~~

~~(b) — An additional amount of each Diocesan Congregation's Income Base shall be requested as an offering to support the mission and ministry of the Diocese, which shall be equal to three percent of the amount of each Diocesan Congregation's Income Base that exceeds \$50,000, plus an additional three percent of the amount of each Diocesan Congregation's Income Base that exceeds \$100,000. Such mission and ministry shall include all programmatic activities and ministries that are not included in Section 1(a), support for the development of clergy, the amount by which the asking from The Episcopal Church exceeds the amount allocated in Section 1(a), and such other initiatives as are approved by the Bishop and the Diocesan Council or by the Convention. The percentages and the income breakpoints of this subsection may be changed by majority vote of the Convention.~~

~~(c) — The requests to Diocesan Congregations in these subsections (a) and (b) shall be collectively the Fair Share Askings.~~

SECTION 2. By March 1 of each year, each Diocesan Congregation shall submit an annual Parochial Report for the prior year to the Diocese, as required by Canons of The Episcopal Church. Each Diocesan Congregation's Income Base at any time shall be determined from averaging the income from the Congregation's most recent annual Parochial Report Reports for the three most recent years. The Income Base shall include all income received by that Congregation and used to meet the Congregation's regular operating expenses; however, the Income Base shall not include income received from the Diocese or amounts spent for principal and interest on obligations for real property held for non-investment purposes. If a Congregation has not submitted its any year's Parochial Report for the Council to use in making its a determination of the Fair Share Asking pursuant to Section 3 of this Canon, that Congregation's Income Base shall be estimated by the Council Finance and Budget Committee.

SECTION 3. By October 1 of each year, the Chief Financial Officer or the Treasurer of the Diocese shall mail to Identified Representatives a report on the Income Base and Fair Share Askings of all Diocesan Congregations for the ensuing year, and will include in that mailing a pledge commitment form to be used by each Diocesan Congregation in submitting its Fair Share Pledge for the ensuing following year. For each Congregation, the amount of the Asking will be:

10% of its Income Base, where the Income Base is \$149,999 or less;

11% of its Income Base, where the Income Base is more than 149,999 but less than \$175,000;

12% of its Income Base, where the Income Base is \$175,000 or more but less than \$190,000;

13% of its Income Base, where the Income Base is \$190,000 or more but less than \$210,000;

14% of its Income Base, where the Income Base is \$210,000 or more but less than \$230,000;

15% of its Income Base, where the Income Base is \$230,000 or more but less than \$250,000; and

16% of its Income Base, where the Income Base is \$250,000 or more.

SECTION 4. No later than December 31, each Diocesan Congregation shall advise the Chief Financial Officer or the Treasurer of the amount of its Fair Share Pledge to which it will be committing for the ~~ensuing year~~ following year.

~~SECTION 4~~ SECTION 5. Each Diocesan Congregation shall pay its Fair Share Pledge in accordance with the billing procedure approved by the Chief Financial Officer and approved by the Diocesan Council.

~~SECTION 5~~ SECTION 6. No part of these canons shall be construed to require or permit the imposition of penalties against any congregation that fails to pay all or part of its Fair Share Pledge.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part IV Present Canons 46 through 57

Diocesan Convention Resolution 2011-1 called for a revision of Part IV of the Diocesan Canons, governing classifications of congregations:

Be it resolved, That this 227th Convention of the Diocese of New Jersey recognize that the canons currently governing classification of congregations and related aspects of clergy compensation do not serve the mission of the Diocese well in the present time; and be it

Further resolved, That this Convention direct the Board of Missions, the Committee on Classification of Congregations, the Standing Commission on Clerical Compensation, and the Standing Committee on Constitution and Canons, with the assistance of such other bodies and/or diocesan staff as they or the Bishop deem appropriate, to review the relevant issues and canons, and propose canonical revisions to the 228th Convention of the Diocese; and be it

Further resolved, That in the proposed revisions, the following be included among the criteria for the (re)classification of missions as independent parishes:

- That the congregation demonstrate the ability to manage its current and projected expenses and indebtedness (if any) without financial aid from the Diocese.
- That the congregation pay its Priest no less than the minimum compensation required under Canon 74, pro-rated, when appropriate, to the part-time nature of the position as agreed to by the Priest and Vestry of the congregation, and approved by the Bishop, the Bishop's designee, and/or an appropriate Diocesan body.

- That the congregation pay its full Fair Share Asking according to the formula approved by Diocesan Convention.

Last year, the Committee as required by the resolution consulted with representatives of the Board of Missions, the Committee on Classification of Congregations, and the Standing Commission on Clerical Compensation, and reviewed relevant canons of other dioceses in The Episcopal Church. As noted in last year's Report, current classification canons refer to undefined entities (e.g., Unorganized Missions) and have extensively detailed categories for entities that no longer exist (e.g., Parochial Chapels, Plans A, B, and B(2)). Rather than attempting patchwork changes, the Committee, with the consent of these other bodies, proposed a complete revision of all the classification canons.

At last year's Convention, apparently due to concerns about the mechanisms proposed for reclassification of parishes to missions and due to unfamiliarity with the subject-matter, this proposal was on motion referred back to the Committee. Over the past year, Bishop Cancell appointed a Task Force on Vitality and Viability, whose recommendations as to ascertaining congregational viability and as to the mechanisms associated with that process we have reviewed but are not incorporating into our proposals for this year. Canon John Sosnowski, Chair of the Task Force, has suggested that the concepts espoused by the Task Force are not amenable to incorporation in canons, at least at the present time, and the Committee agrees.

Canon Sosnowski, however, has advised that the Task Force objects to proposed Canon 53, which states characteristics — "Effective Ministry Standards for Parishes," drawn from other diocesan canons — that can identify congregations that are prepared to assume the independent life of a full parish, as opposed to a mission church. Conversely, a congregation that no longer sustains these characteristics should perhaps be reclassified as a mission until it can regain its independence in the future, as many congregations in the Diocese have done in the past. We recognize that several of the proposed Effective Ministry Standards have some features in common with the "Minimal Viability Characteristics" set forth by the Task Force. The Committee does not agree that the existence of such common features invalidates the intended purposes of the Ministry Standards. Nevertheless, in order to accommodate the desire of the Task Force to avoid any confusion with its goals by having Convention defer consideration of such Standards, the Committee is withdrawing proposed Canon 53 from consideration for this year and leaving that canon as "reserved". We set forth its text (the same as proposed last year) in an Appendix A to this Report, beginning on page 27.

Under the Committee's proposal, the number of classifications of congregations is reduced from thirteen to seven, without the former distinctions between missions with full or partial ministry or incorporated or unincorporated. The Cathedral is included as a class of congregations, as in most other dioceses, and its governing canon is moved from Part III of the canons (Committees, Commissions, Convocations and Collateral Agencies and Institutions of the Diocese) to Part IV.

The philosophy of parishes and missions, as confirmed by our review of other diocesan canons, is that parishes are financially self-sufficient congregations that can maintain the degree of independence that will allow them to have a Rector, who has canonical employment protection, and to own their own property. Missions, on the other hand, are essentially branch-offices of the Bishop of the Diocese: The priests heading them serve at the pleasure of the Bishop, and their buildings and other property are the property of the Diocese. Accordingly, parishes are allowed to form themselves into corporations (which can hold title to real estate); missions generally are not. The prior practice in this diocese has been to allow congregations to retain their corporate identity after they become unable to support themselves and become reclassified as missions

and have no reason to own property. The proposal ends this anomaly. But because there appears to be some confusion as to the statutory basis for accomplishing the dissolution or merger of non-parish corporations, the time-frame for compliance with this change is deferred to the end of next year, and may have to be further extended in the future.

Generally, the entire Part IV has been rewritten and reorganized, preserving portions of existing canons where possible. Some notable changes have been made from last year's proposal. The proposal for a Committee on Congregational Life has been withdrawn as a decision-making or -recommending body; recommendations on reclassification of parishes to missions are to be made solely by the Bishop as Ecclesiastical Authority, with review by Diocesan Council prior to presentation to Convention for action. All provisions for reclassifying one type of congregation to another have been moved to one canon.

In light of the extensive revisions from current canons, a detailed implementing resolution showing insertions and deletions would not be helpful; rather, the Committee is presenting the proposed Part IV as a substitution for existing Part IV of the canons, which can be found in the copy of current canons distributed at Diocesan Convention.

Accordingly, the Committee moves the following implementing resolution:

Implementing Resolution IV: *Resolved*, That Canon 38 and Canons 46 through 57 of the Canons of the Diocese of New Jersey be deleted and new Canons 46 through 60 be inserted as Part IV of such Canons, as follows:

PART IV – LOCAL CONGREGATIONS AND THEIR STRUCTURE

CANON 46

Classification of Congregations

SECTION 1. All Congregations which are a part of the Diocese of New Jersey shall be classified in one of the following categories:

1. The Cathedral
2. Parishes, including Associated Parishes
3. Missions
4. Chapels
 - a. Seasonal Chapels
 - b. Collegiate Chapels
 - c. Institutional Chapels
 - d. Parochial Chapels

Classification shall be determined in accordance with the provisions set forth in the Constitution and Canons of the Diocese. Each Congregation of the Diocese shall be governed in the manner provided in the Constitution and Canons of the Diocese for Congregations in its category.

SECTION 2. The Ecclesiastical Authority, or a committee appointed by the Ecclesiastical Authority, shall submit to the Convention, annually and at least 30 days before the opening day of Convention, a list of proposed changes in the classification of congregations as approved by the Ecclesiastical Authority, as well

as findings and recommendations made by Diocesan Council pursuant to Canon 60 Section 2. Such changes in classification may be ratified as presented or may be adopted with amendment by the Convention. The determination of the Convention shall be final.

CANON 47

Boundaries

SECTION 1. The boundaries of a parish or a missionary cure shall be the limits as fixed by law of the municipality in which the parish or mission is located. If there be but one parish or mission within the limits of a municipality it shall be deemed the Cure of the member of the clergy having charge thereof. If there be two or more parishes or missions therein it shall be deemed the Cure of the members of the clergy having charge thereof. The Bishop may extend the boundaries of a parish or mission to include all or part of the municipalities adjacent to a parish or mission and adjacent to each other, provided there be no parish or mission already located in the adjacent municipality. A list of all such boundary extensions shall be printed annually in the Journal of the Diocese.

SECTION 2. All territory in the Diocese not included within the boundaries of a parish or mission by virtue of the provisions of Section 1 of this Canon shall be deemed to be the Cure of the Bishop of the Diocese.

SECTION 3. Members of the clergy in charge of or officiating in Seasonal Chapels, Collegiate Chapels, or Institutional Chapels shall not be deemed to hold a Cure in the Diocese or to have pastoral jurisdiction over any territory in the Diocese.

CANON 48

Erection of New Church Buildings

The erection of a church building or chapel on a new site must have the previous written consent of the Bishop acting with the advice and consent of the Standing Committee. Any application for the erecting of a church building or chapel on a new site shall be in writing and shall be sent to the Bishop, who shall forthwith lay the matter before the Standing Committee, and at the same time give notice by registered mail to the three Parishes whose houses of worship are nearest to the location of the proposed new building, that such application has been made and that any objections submitted to the Bishop in writing within thirty days after the date of mailing the notice will be duly considered. After the expiration of said thirty days, the Standing Committee shall proceed to the consideration of the application and of any objections thereto and shall advise the Bishop of their conclusions. If approval be given, the Bishop may then give canonical consent in the following form:

The erection of a new Church or Chapel in the city (or town) of, County of to be known as Church (or Chapel), having been duly considered by the Standing Committee and approved by them, I do hereby give my canonical consent to the erection of said Church or Chapel.
Given under my hand this..... day of..... in the year of our Lord, two thousand

Bishop of New Jersey

Attest:

.....
Secretary of Standing Committee

CANON 49

The Cathedral

SECTION 1. Trinity Cathedral of the Diocese of New Jersey, situated at Trenton in the Diocese of New Jersey, is designated as The Cathedral of the Diocese, with the rights, powers, and privileges conferred upon it by law and by the Joint Consolidation Agreement entered into on the May 4, 1949, between the corporation known as The Cathedral Church of the Diocese of New Jersey and the parish corporation known as Trinity Cathedral in the Diocese of New Jersey, and by the Constitution and Bylaws of the Cathedral adopted pursuant to such Agreement.

SECTION 2. The governing body of Trinity Cathedral shall be a Chapter. The Chapter shall consist of the Bishop, who shall be the presiding officer; the Bishop Coadjutor, if there be one, the Suffragan Bishops, if there be any; the Archdeacons of the Diocese, if there be any; the Dean of the Cathedral; four presbyters and four lay persons elected by the Diocesan Convention for three-year terms; three members appointed in writing by the Bishop for three-year terms; the following members elected by and from the Cathedral congregation, namely, a Senior Warden and a Junior Warden each elected for two-year terms, and nine other lay persons elected for three-year terms; and a Treasurer and a Clerk elected by the Chapter.

SECTION 3. There shall be a Minor Chapter, within the Chapter, which shall have such powers and duties as provided by the Constitution and Bylaws of the Cathedral, and which shall consist of the Bishop, who shall be the presiding officer; the Dean of the Cathedral; the Junior and Senior Wardens; the nine lay persons elected by the Cathedral congregation; and the Treasurer and the Clerk.

SECTION 4. Members of the Chapter elected by the Convention may not be elected to succeed themselves, but may be reelected after the expiration of at least one year. The Treasurer shall be elected by the Chapter at its annual meeting, to hold office for one year and until a successor is elected. The Clerk shall be one of the members elected by the Cathedral congregation; the Clerk shall be elected by the Chapter at its annual meeting for such period as it may prescribe. Vacancies in the Cathedral Chapter shall be filled as provided in the Constitution and Bylaws of the Cathedral.

SECTION 5. The Treasurer shall annually report to the Convention the condition of the affairs of the Cathedral committed to the Treasurer's charge.

CANON 50

Election of Church Officers in Parishes and Missions

SECTION 1. There shall be an annual meeting in every Parish for the election of officers, prayers having been said immediately before said meeting, and due notice having been given as required by law. Said meeting shall be held on a date which may be fixed at a regular or special meeting of the Congregation. There shall be an annual meeting for those Missions that elect officers, to be held also with opening prayers and upon like notice.

SECTION 2. The persons entitled to vote at such meetings must be:

- (a) baptized,
- (b) at least sixteen years of age,
- (c) of good moral character
- (d) adhering to The Episcopal Church and to no other religious body,
- (e) regular attendants at the services of the Church in said Parish or Mission,
- and
- (f) regular contributors to the current expenses of the Parish or Mission for six months next before the said annual meeting.

A record of the regular contributors for the support of the Parish or Mission shall be maintained by the Treasurer, with the dates of their contributions. Such records shall be sufficient evidence as to the qualification of a voter with respect to the last preceding requirement. Any voters not baptized in the Parish or Mission must have been enrolled as members in accordance with the provisions of the Canons of The Episcopal Church. Rectors, Vicars, or Wardens shall keep a list of all members of the Congregation who have been received as voters, which list shall be open to inspection by the members of the Congregation. No one shall be permitted to vote or be eligible to office in more than one Parish or Mission in this Diocese, although members of a Parish or Mission may be eligible also to vote or hold office in a Chapel.

SECTION 3. At said annual meeting the qualified voters shall elect by ballot, by a majority of the votes cast, to serve for the ensuing year, from among the voters in the Parish, three Deputies and three alternate Deputies to the Diocesan Convention, and a Warden or Wardens, who shall all be communicants in good standing; and also such other Vestrymembers or Mission Committee members, and such other officers as may be provided for by the Parish or Mission charter or bylaws, and six Representatives to the Convocation in which the Congregation is located, who shall all be communicants if such suitable for the office can be found.

SECTION 4. For the purposes of this Canon, the term "communicant" shall be as defined by the Constitution and Canons of The Episcopal Church.

SECTION 5. No provision of this Canon which may conflict with the Charter of any Parish shall have any force in such Parish.

See Revised Statutes of New Jersey, Sections 16:12-10 and -11

CANON 51

Duties of Rectors, Vicars, Wardens, and Vestrymembers or Mission Committee Members

SECTION 1. The Rector or Vicar has exclusive charge, under the Canons, of all things affecting the spiritual interests of the Parish, subject only to the Bishop. It is the Rector's or Vicar's duty to give orders concerning the worship of the Church, together with all that appertains thereto. The Rector or Vicar may from time to time appoint fit and proper persons to perform under his or her supervision, such duties relative to the service and the decoration of the church buildings as may be properly done by laity. The Rector or Vicar shall be at all times entitled to access to the church buildings, to open the same for public worship, for catechetical or other religious instruction, marriages, baptisms, funerals, and all other offices authorized by the Church. The Rector or Vicar shall have spiritual direction and control of all Sunday Schools, Parish Schools, and other educational and charitable associations connected with the Parish, and shall preside, with right to vote, at all Parish and Vestry meetings or Mission and Mission Committee meetings.

SECTION 2. It shall be the duty of the Wardens and Vestrymembers or members of the Mission Committee, under the Rector or Vicar, to protect the Church property, and to see that all things needed for the orderly worship of God, and for the administration of the Sacraments and Ordinances of the Church, be provided. It shall also be their duty to see that the funds of the Parish or Mission are expended properly, to provide for the maintenance of the Rector or Vicar, and in the case of a Parish to elect and call the Rector.

See Revised Statutes of New Jersey, Sections 16:12-6, -7, and -9

CANON 52

The Calling of a Rector or an Assistant

SECTION 1. When a Parish is without a Rector, or Mission is without a Vicar, the Wardens or other proper officers shall promptly notify the Ecclesiastical Authority of the Diocese. If the authorities of the Parish or Mission shall for thirty days have failed to make provision for services of public worship, it shall be the duty of the Ecclesiastical Authority to take such measures as may be deemed expedient for the temporary conduct of public worship. After consultation with the Vestry or Mission Committee, the Bishop may appoint a priest to serve as Interim pending the election of a Rector or appointment of a Vicar, pursuant to the terms of a written agreement with the Parish or Mission.

SECTION 2. In the case of a Parish, no election of a Rector shall be had until the name of the Priest whom it is proposed to elect has been made known to the Ecclesiastical Authority of the Diocese, and sufficient time, not exceeding sixty days, has been given to the Ecclesiastical Authority to communicate with the Vestry thereon, nor until such communication, if made within that period, has been considered by the Vestry at a meeting duly called and held for that purpose. Written notice of the election, signed by the Wardens, shall be sent to the Ecclesiastical Authority of the Diocese. If the Ecclesiastical Authority be satisfied that the person so chosen is a duly qualified Priest and that the Priest has accepted the office, the notice shall be sent to the Secretary of the Convention, who shall record it. The record shall be sufficient evidence of the relation between the Priest and the Parish. The Bishop may submit to the Vestry the names of several clergy whom the Bishop

considers suitable to be chosen as Rector. Rectors may have a letter of agreement with the Parish setting forth mutual responsibilities, subject to the Bishop's approval.

SECTION 3. After consultation with the Vestry, the Bishop may appoint a Priest to serve as Priest-in-Charge of any Congregation in which there is no Rector or Vicar. In such Congregations, the Priest-in-Charge shall exercise the duties of Rector or Vicar subject to the authority of the Bishop, pursuant to the terms of a written agreement with the Parish or Mission; Priests-in-Charge shall be eligible thereafter to serve as Rector or Vicar in such Congregation.

SECTION 4. All assistant clergy in a Parish, by whatever title they may be designated, shall be selected by the Rector, subject to the approval of the Vestry, and shall serve under the authority and direction of the Rector. Before the selection of an assistant, the name of the member of the clergy proposed for selection shall be made known to the Ecclesiastical Authority of the Diocese and sufficient time, not exceeding sixty days, shall be given for the Ecclesiastical Authority to communicate with the Rector and Vestry on the selection. Written notice of the selection of an assistant shall be sent forthwith to the Ecclesiastical Authority by the Rector and Wardens. Any assistant selected shall serve at the discretion of the Rector, but may not serve beyond the period of service of the Rector except that, pending the call of a new Rector, the assistant may continue in the service of the Parish if requested to do so by the Vestry of the Parish and under such conditions as the Ecclesiastical Authority and Vestry shall determine.

See Revised Statutes of New Jersey, Section 16:12-7

CANON 53 RESERVED

CANON 54

Associated Parishes

SECTION 1. When two or more Independent Parishes wish to share the services of a priest as Rector of both Parishes, they may make application to the Bishop. The application shall include resolutions passed by each Vestry, two-thirds of the members thereof concurring, stating:

- (a) That they wish to be associated with another Parish in sharing the services of a Rector,
- (b) The name of the priest whom they propose to elect as Rector,
- (c) An agreement specifying each Parish's share in the support of the Rector, and
- (d) An agreement specifying how the Rector's services are to be shared.

If the Bishop approves the application the Bishop shall obtain the written consent of the priest named in the application to serve as Rector under the conditions set forth in the application, and shall then forward the application together with the consent of the proposed Rector to the Standing Committee of the Diocese for its approval. If the Standing Committee approve the application, the Parishes in question shall be designated Associated Parishes and the election of the Rector may proceed without further notice.

SECTION 2. Each Associated Parish shall be entitled to representation in Convention by three Deputies and three Alternate Deputies, and in Convocation by six Representatives.

SECTION 3. If any Parish wishes to withdraw from an Associated Parish relationship, it shall first obtain the written consent of the Bishop and Standing Committee of the Diocese. Such consent may be conditioned upon the reclassification of one or more of the Parishes involved to Mission status.

SECTION 4. A Mission may enter into an Associated Parish relationship pursuant to the procedures of Section 1 of this Canon if it otherwise qualifies for Parish status and completes all procedures necessary for reclassification prior to the election of the rector of the Associated Parishes.

CANON 55

Missions

SECTION 1. (a) (i) The residents of any municipality who may desire the services of the Church may give notice of their desire to the Bishop of the Diocese, who may take such action as the Bishop may deem proper. If the Bishop approve, application shall be made in the following form:

To the Right Rev....., Bishop of New Jersey:

We, the undersigned residents of the town of....., County of....., Diocese of New Jersey, being desirous of obtaining the services of the Protestant Episcopal Church, do hereby request you to provide them for us as you think fit. For which benefits we do hereby agree to put ourselves under your charge, promising conformity to the Constitution, Canons, doctrine, discipline and worship of said Church, and to the Constitution and Canons of the Diocese of New Jersey, and in accordance with these obligations we are now desirous to be organized as a Mission, under the name of..... Mission..... and we hereby agree to provide the sum of \$..... at least, to support the budget of the Mission for the first year.

All the adults who are willing to become members of the Mission shall affix their signatures to the application, together with the sum each pledges for its support.

(ii) Alternatively, the Bishop may initiate the formation of a Mission at any time.

(b) The Bishop shall then give notice of the application to the three Parishes whose houses of worship are nearest to the location of the proposed Mission. If after thirty days from the giving of such notice, there is no objection on the part of the three nearest Parishes, the Bishop may then consent to the action proposed. If objections be made within thirty days, the Bishop shall lay the application and the objections before the Standing Committee, and if the Standing Committee approve, the Bishop may consent to the action proposed, which consent shall be submitted to the next Annual Convention of the Diocese as set forth in Canon 46, Section 2, for approval of the classification of such Mission.

SECTION 2.

(a) Following the Bishop's consent to the formation of the Mission, the Bishop shall appoint a Vicar, or pending the appointment of a member of the clergy a lay Pastoral Leader, who, subject to approval of the Bishop, shall appoint annually the following officers: A Warden, who shall be a communicant, a Treasurer, and a Secretary. If there be no Vicar or Pastoral Leader, the Bishop may appoint these officers.

(b) When the revenue, exclusive of all appropriations from outside sources, shall amount to more than \$25,000 per annum, said officers shall be elected annually by the voters of the Mission at an annual meeting of the Mission to be held on a date in the month of January, due notice of said meeting being given in the same manner as prescribed for parishes. The qualifications for voters shall be the same as those for voters in parish elections. The voters shall also adopt bylaws, subject to the approval of the Bishop, and shall elect Deputies, Alternate Deputies, and Representatives pursuant to the provisions of Canon 50, Section 3.

SECTION 3. The Warden, subject to the approval of the Vicar, shall provide a place of public worship; see that the same be kept clean and in good repair and furnished with all things necessary for conducting the services of the Church decently and in order. The Warden shall provide and if the Vicar be nonresident, shall have the custody of the Register required by Canon 73 but shall not make entries therein except by the Vicar's request unless there be no Vicar.

SECTION 4. The Treasurer shall receive all money contributed by the Mission and disburse the same as directed by the officers. The Treasurer shall report to the Bishop and the Board of Missions periodically as directed.

SECTION 5. The Secretary shall keep the minutes of all meetings and shall perform the normal duties of this office.

SECTION 6. The Vicar shall preside at all meeting of the officers with right to vote. The Vicar shall appoint the Sexton, Organist, Choir, Sunday School Superintendent and any other helper the Vicar may find necessary. If there be no Vicar, such appointment shall be made by the Warden, with the approval of the Bishop.

SECTION 7. The title to real estate, given to or purchased by the Mission for Church purposes, unless otherwise ordered by the members of the Diocesan Council, shall be vested in The Trustees of Church Property of the Diocese of New Jersey, to be held by them until such time as the said property may be sold pursuant to Section 9 of Canon 13, or until such time as the Mission shall become duly incorporated as a Parish and admitted into union with the Convention, when the title may be transferred to the Church corporation if it shall so elect.

SECTION 8. Each Mission shall report to the Board of Missions and to the Bishop through the Vicar, Pastoral Leader, or Secretary, as may be directed by the Bishop. Every member of the Mission is expected to pledge a definite sum for its support.

SECTION 9. When a Mission reaches a size large enough to warrant additional leadership, the Bishop may, with the consent of the Standing Committee, direct that it shall be organized with the following officers:

- (a) The Vicar, appointed by the Bishop
- (b) Two Wardens, who shall be elected in alternate years by the voters at the annual meeting for two-year terms
- (c) Three, six, or nine Mission Committee members, as the Bishop shall determine and as shall be set forth in the Mission's bylaws, who shall be elected by the voters at the annual meeting for three-year terms, one-third being elected each year
- (d) A Treasurer, elected annually by the officers
- (e) A Secretary, elected annually by the officers.

The duties of these officers shall be the same as those delineated in Sections 3, 4, and 5 of this Canon and, as regards the Mission Committee, Section 2 of Canon 51. The Bishop's directive, with the Standing Committee's consent, shall be in writing and shall be filed with the Mission and the Board of Missions, and the Mission bylaws shall be amended to conform to it.

SECTION 10. Upon the failure of a Mission to fulfill its purposes, the Bishop may withdraw the Vicar, and dissolve the organization.

See also: Constitution Article VI – Admission of New Parishes; Revised Statutes of New Jersey, Sections 16:12–1 to 12–2

CANON 56

Seasonal Chapels

SECTION 1. The temporary residents of any Summer Resort desiring to maintain regular services for a part of the year may give notice to the Bishop of the Diocese of their desire, who may take such action as the Bishop may deem proper. If the Bishop approves, application shall be made in the following form:

To the Rt. Rev....., Bishop of New Jersey:

We, the undersigned, temporary residents of the town of....., County of....., Diocese of New Jersey, being desirous of obtaining the services of The Episcopal Church, do hereby request you to provide them for us as you think fit. For which benefits we do hereby agree to put ourselves under your charge, promising conformity to the Constitution, Canons, doctrine, discipline and worship of said Church, and to the Constitution and Canons of the Diocese of New Jersey. In accordance with these obligations we are now desirous to be recognized as a Seasonal Chapel under the name of Chapel, and we agree to pay all expenses of the same. Furthermore, it is our wish that this Seasonal Chapel shall be regularly organized as a Mission under Canon 60, Section 3 whenever in the judgment of the Bishop there shall be enough resident communicants in to warrant an all-year organization.

Respectfully your obedient servants,

This application should be signed by all the adults who propose to attend the services of the Seasonal Chapel, and the Bishop shall then take the same action as provided for in the Canons in regard to giving notice to the neighboring parishes as provided for in Canon 55, Section 1(b). The Bishop shall, at the Bishop's discretion, appoint clergy to supply for Chapel the services of the Episcopal Church in due season. No member of the clergy shall officiate at any service in a Chapel governed by the provisions of this Canon without the written consent of the Bishop; or, if there be no Bishop, of the Ecclesiastical Authority. After its formation, each Seasonal Chapel shall adopt bylaws in form subject to approval by the Bishop.

SECTION 2. There shall be an annual meeting of every such Congregation on the Monday after the first Sunday in August as may be determined by the bylaws of the Seasonal Chapel for the election of officers. Due notice shall be given of this meeting as required by law in the case of an annual Parish meeting. The voters shall be baptized communicants in good standing of The Episcopal Church at least sixteen years of age who are regular attendants at the services of the Seasonal Chapel and duly enrolled contributors to the current expenses.

(a) At the said annual meeting, the qualified voters shall elect by ballot by a majority of votes cast a Board of Trustees for the ensuing year from among the voters of the Seasonal Chapel. The number of said Board shall be three, six, or nine as determined by the bylaws, of whom one-third shall be elected annually to serve for three years. At the first election, one-third shall be elected for three years, one-third for two years, and one-third for one year.

(b) Any Congregation organized and operating under the provisions of this Canon may, at its annual meeting, elect from among its voting members a communicant in good standing of the Episcopal Church to be its representative to the Diocesan Convention. The representative shall be entitled to a seat and voice, but not a vote.

SECTION 3. Title to all real and personal property and endowment funds of a Seasonal Chapel, unless otherwise directed by the members of the Diocesan Council, shall be vested in the Trustees of Church Property of the Diocese of New Jersey.

SECTION 4. No baptism, confirmations, weddings, or funerals shall be conducted at a Seasonal Chapel without the written consent of the Bishop of the Diocese. Every Seasonal Chapel shall maintain a register as provided in Canon 73, but duplicate entry of every baptism, confirmation, wedding and funeral shall be made in the register of a neighboring Parish or Mission or in the register of the home Parish or Mission of the person receiving the rite or sacrament, as the Bishop shall direct. The entry in the register of the Seasonal Chapel shall not be used for statistical reporting. Every Seasonal Chapel shall maintain a list of the families associated with the Chapel, including the names of the members thereof, and of all individuals not included as members of a family; but it shall not maintain an official communicant list or an official list of baptized members, or include in its annual report any membership statistics.

See also: Canon 47, Section 3

CANON 57

Collegiate Chapels

SECTION 1. At any institution of higher learning in this Diocese it shall be lawful for the Diocese to establish a college chaplaincy and center for ministry to college students and staff. Such establishments are to be made upon the recommendation of the Bishop and the approval of the Diocesan Council and, if financially supported by the William Alexander Procter Foundation, such Foundation. Chapels or other places of meeting or of worship established at such centers, and their congregations, shall have the status of "Chapels of the Diocese."

SECTION 2. There shall be an advisory committee for each Collegiate Chapel. The members of this committee shall be communicants of this Church in good standing. It shall be the duty of the advisory committee to care for the properties of the Chapel to which they are appointed, to make recommendations to the proper authority for needed repairs and improvements, to ascertain that the use of the Chapel is in accordance with the regulations of the local institution as well as those of the Diocese, and to assist the college chaplain in the furtherance of the church's work on the campus.

SECTION 3. There shall be for each Collegiate Chapel a Register as provided in Canon 73. The Chapel communicant register shall consist only of those persons who have been confirmed or received into The Episcopal Church at the Chapel. It shall be a special duty of the chaplain to seek to transfer such members upon their permanent departure from the institution.

SECTION 4. It shall be lawful for the college chaplain to organize from the faculty and student body of the institution to which the chaplain has been assigned such student vestries, choirs, auxiliaries, guilds and societies as the chaplain may think advisable for the furthering of the ministry of The Episcopal Church on the campus.

SECTION 5. Any Collegiate Chapel congregation operating under the provisions of this canon may elect from among its regular communicants a communicant in good standing of The Episcopal Church to be its deputy to the Diocesan Convention, who shall be entitled to seat, voice, and vote at Diocesan Convention. The chaplain and any member of the advisory committee shall certify the election of the deputy to the Secretary of Diocesan Convention.

SECTION 6. The chaplain and the advisory committee shall make annual reports to the Bishop of the Diocese in such form as the Bishop may direct.

See also: Canon 47, Section 3

CANON 58

Institutional Chapels

SECTION 1. Any educational, health-care, residential, or other institution within the Diocese may establish a Chapel to serve its attendees, residents, and staff. Any erection of a chapel building for Episcopal services must be approved pursuant to

the provisions of Canon 48. The appointment of any full-time or part-time member of the clergy of The Episcopal Church to serve as Chaplain for such institution must be approved in writing by the Ecclesiastical Authority of the Diocese. The Chaplain shall make annual reports to the Bishop of the Diocese in such form as the Bishop may direct.

SECTION 2. Institutional Chapels shall have no lay representation in Diocesan Convention or in Convocations.

See also: Canon 47, Section 3

CANON 59

Parochial Chapels

SECTION 1. The establishment of a Parochial Chapel by a Parish must have the previous written consent of the Bishop acting with the advice and consent of the Standing Committee. An application for such purpose shall be in writing and shall be sent to the Bishop, who shall lay the matter before the Standing Committee, and at the same time give notice by registered or certified mail to the three Parishes whose houses of worship are nearest to the location of the proposed Parochial Chapel, that such application has been made and that any objections submitted to the Bishop in writing within thirty days after the date of mailing the notice will be duly considered. After the expiration of said thirty days, the Standing Committee shall proceed to the consideration of the application and of any objections thereto and shall advise the Bishop of their conclusions. If approval be given, the Bishop may then authorize the Parish to organize a Parochial Chapel upon such conditions as may be set forth in such approval. Upon the establishment of such a Parochial Chapel, the Parish shall cause a copy of a certificate of organization to be forwarded to the Bishop, and such establishment shall be reported to the next Diocesan Convention as provided in Canon 46, Section 2.

SECTION 2. Unless otherwise provided in the conditions for approval of the Parochial Chapel, the member of the clergy in charge of a Parochial Chapel shall be appointed by the Rector with the consent of the Bishop, shall be subject to the direction of the Rector, and shall serve at the pleasure of the Rector. Title to property and funds allocated to a Parochial Chapel shall be held in the name of the parish, which shall be financially responsible for all operations of the Parochial Chapel. The Parish shall make annual reports to the Bishop of the Diocese with respect to the Parochial Chapel in such form as the Bishop may direct.

SECTION 3. Parochial Chapels shall have no lay representation in Diocesan Convention or in Convocations.

CANON 60

Reclassification

SECTION 1. (a) An existing Mission that seeks reclassification as a Parish must show that it has complied with the Constitution and Canons of the Diocese for a period of three consecutive years without receiving financial support from the

Diocese and must demonstrate the reasonable prospect that it will be able to continue to do so and that it does and will be able to continue to pay its full Fair Share Asking according to the formula approved by Diocesan Convention and to continue to pay in full the salary and other required compensation of a Priest on at least a part-time basis, as provided in Subsection 1(b) of this Canon. A congregation which seeks such reclassification will make a written application to the Bishop, signed by the Vicar and Secretary of the Mission and as many members of the congregation as possible, declaring that the prospective parish will: (1) at all times adhere to and observe the doctrine, discipline, and worship of The Episcopal Church existing at the time of its formation and as may thereafter be amended, and the laws of the State of New Jersey; (2) be subject to the spiritual jurisdiction of the Bishop of the Diocese of New Jersey, or in case of a division of the Diocese, to that of the Bishop within whose jurisdiction it may come; (3) apply as soon as possible after its incorporation for admission into union with the Convention of the Diocese, and become subject to the Constitution and Canons thereof; (4) pay its Rector no less than the canonical minimum salary and provide a rectory or other suitable living quarters; and, (5) hold all parish assets in trust in perpetuity for the Episcopal Church and the Diocese. The Mission shall also present such documents in support of the application as the Bishop may request. The Bishop shall then give notice of the application to the three Parishes whose houses of worship are nearest to the location of the Mission. If after thirty days from the giving of such notice, there is no objection on the part of the three nearest Parishes, the Bishop may then consent to the action proposed. If objections be made within thirty days, the Bishop shall lay the application and the objections before the Standing Committee, and if the Standing Committee approve, the Bishop may consent in writing to the formation of a parish corporation pursuant to statute, in the following form:

The reclassification from Mission to Parish in the city (or town) of,
County of to be known as Church, having been duly considered
by the Standing Committee and approved by them, I do hereby give my
canonical consent to the formation of said Parish and the incorporation thereof.
Given under my hand this..... day of..... in the year of our Lord, two thousand
.....

Bishop of New Jersey

Attest:

.....
Secretary of Standing Committee

(b) If the congregation seeking reclassification so requests, the Bishop, with the consent of the Standing Committee, may stipulate that for a fixed period of time the pastoral, spiritual and sacramental needs of the congregation will be met by the services of a priest working for a specified number of hours less than full time, with full compensation appropriate to such part-time service, subject to further review at the end of the period specified. Upon such review, the permission to maintain a part-time rector may be continued for a further specified period, until such time as a full-time position may be justified, or until Section 2 of this Canon may become applicable.

(c) After receipt of the Bishop's consent for incorporation, the congregation shall take the steps necessary to incorporate pursuant to the procedures of the New

Jersey Statutes applicable to Episcopal Parishes. Following incorporation and the election of wardens and vestrymembers, the Vicar may with the consent of the Bishop, to be confirmed in writing, be elected to continue as Rector of the new Parish notwithstanding any noncompliance with the prior-notice requirements of Sections 1 and 2 of Canon 52.

(d) Following incorporation, the new Parish shall apply for admission into union with the Convention of the Diocese as provided in Article VI of the Constitution and become subject to the Constitution and Canons thereof. Upon approval by the Diocesan Convention, the Mission shall be deemed reclassified as a Parish and shall thereafter be so reported to the next annual Convention as provided in Canon 46, Section 2.

SECTION 2. (a) If a Parish is unable or anticipates being unable to comply in a material way with the requirements set for Parishes by Article VI of the Constitution for a period of six months, the elected leadership of the Parish shall so inform the Bishop. If it appears that the six-month period has passed and the elected leadership of the Parish has not informed the Bishop, then the Rector of the Parish, the Canon to the Ordinary, if there be one, the Board of Missions, or the Dean of the Convocation of which the Parish is a part, may so inform the Bishop. In either such event the Bishop shall invite the Rector, Wardens, and Vestrymembers of the Parish to meet with the Bishop and one or more consultants chosen by the elected leadership of the parish or by the Bishop to discuss and formulate a plan to address the problem. If within twelve months of the Bishop's first being advised of the problem no plan can be agreed by all parties, or, if a plan is agreed but the Parish is unable to achieve complete compliance with such plan within a period of twelve months after it is adopted, the Bishop may determine that the problem cannot be resolved and that the Parish is no longer viable and should be reclassified as a Mission as governed by Canon 56. The Bishop will inform the Rector, Wardens, and Vestrymembers of the Parish concerned and the Diocesan Council of any such recommendation. The Diocesan Council will make its own determination of whether it does or does not concur with the Bishop's recommendation. The Bishop's recommendation and Diocesan Council's finding shall be reported to Convention for action as provided in Canon 46, Section 2.

(b) If the Rector, Wardens, and Vestrymembers of a Parish wish their Parish to be reclassified for any of the reasons given in Section 2(a) of this Canon, or when, after discussion initiated by the Bishop in accordance with Section 2(a) of this Canon, the Rector, Wardens, and Vestrymembers agree to such reclassification, they may make application to the Bishop in writing to be reclassified. The application shall be signed by a majority of all the current members of the Vestry. If the Bishop consents to the reclassification, the Bishop shall lay the matter before Standing Committee, and if it consents, the Bishop may forthwith reclassify the Parish as a Mission, such reclassification shall be reported to the next annual Convention of the Diocese as provided in Canon 46, Section 2. In such event, no further action by Convention shall be required to effect such reclassification.

(c) If the Vestry of a Parish fails to comply promptly with a judgment issued under canons relating to the Dissolution of the Pastoral Relation, the Bishop shall lay the matter before Standing Committee, with notice and opportunity for such Vestry to appear and be heard. If the Standing Committee consents, the Bishop

may forthwith reclassify the Parish as a Mission, and such reclassification shall be reported to the next annual Convention of the Diocese as provided in Canon 46, Section 2. In such event, no further action by Convention shall be required to effect such reclassification.

(d) When a Parish is reclassified as a Mission, the following changes will be made in its organization:

(i) The Rector shall relinquish the Rector's tenure. The appointment of a priest to be Vicar in charge of the Mission, who may be the former Rector, shall be by the Bishop. The Vicar shall serve without tenure. The Bishop may appoint a full-time or part-time vicar as the Bishop thinks best.

(ii) If the reclassification is to status of a Mission and was the result of a failure of the former Parish to conform to and obey the doctrine, discipline, and worship of The Episcopal Church and the Constitutions and Canons of the General Convention and of this Diocese, then the Bishop may forthwith appoint a Treasurer, Secretary, one or two Wardens, and Mission Committee members for the Mission in lieu of their being elected by the Congregation, until such time as the Bishop certifies in writing that the Mission is conforming to such doctrine, discipline, and worship and such Constitutions and Canons, after which the Congregation may elect such officers at its next annual or special meeting called for such purpose.

(iii) If the Bishop does not appoint new officers, the existing Treasurer and Wardens shall continue in office until their successors are elected or appointed, and the Clerk shall continue as the Secretary of the Mission and the Vestrymembers shall continue as members of the Mission Committee, until their successors are elected or appointed.

(iv) The appropriate corporate officers shall take such steps as required by law to consolidate the Parish corporation into the Trustees of Church Property, so that title to all real and personal property and endowment funds of the former Parish shall be transferred by operation of law to the Trustees of Church Property of the Diocese of New Jersey, to be held by them in trust for the purposes of the Diocese. The Trustees of Church Property have the discretion not to consent to any such consolidation; if they do not consent, the Parish officers must otherwise transfer such title to the Trustees of Church Property.

SECTION 3. A Parochial Chapel, or a Seasonal Chapel that provides services throughout the year, may apply to become a Mission by complying with the provisions of Canon 55, Section 1.

And be it further resolved, That Section 3 of Canon 62 be amended to read as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 3. If the Vestry fails to comply with the terms of a judgment as provided in Canon III.9.13(e)(2), this will be a violation of the Discipline of The Episcopal Church that can be grounds for reclassification as a ~~an incorporated~~ Mission under Canon ~~53~~ 60(2)(c).

And be it further resolved, That existing Incorporated Missions shall comply with the provisions of Canon 60(2)(d)(iv) on or before December 31, 2014.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part V Canons 36 and 40

As noted in the Report of this Committee to the 2007 Diocesan Convention, the Insurance Committee of the Diocese had previously recognized that Canon 36 is not actually descriptive of the diocesan health insurance plan, since insurance premiums are paid directly by parishes and missions and not through any diocesan "fund". The Insurance Committee has now proposed a complete revision of Canon 36 to more correctly set forth the current system, including a change of name from Insurance Committee to Benefits Committee. Their proposal incorporates some provisions from Canon 40 and continues unchanged the portion of Canon 36 delineating the proportion of premiums covered by the Diocese of eligible retired members of the clergy.

In addition, some members of The Association of Retirees of the Diocese of New Jersey had proposed further amendments to the Insurance Committee's proposal, but have withdrawn their proposals following further amendments to the Insurance Committee's initial drafts.

This Committee has reviewed the Insurance Committee's proposal in light of the requirements of Episcopal Church General Convention Resolution 2009-A177 directing implementation of a Denominational Health Plan, and has worked with that Committee to amend their initial proposal accordingly. In addition, the Committee has made minor language and numbering changes to conform to the style of existing canons, with which the Insurance Committee has concurred.

A comparison between existing Canons 40 and 36 and the proposed Canon 36 appears as Appendix B to this Report, beginning on page 28.

To implement the amended proposal, the Committee moves the following implementing resolution:

Implementing Resolution V: *Resolved, That Canons 36 and 40 of the Canons of the Diocese of New Jersey be deleted and that Canon 36 be replaced by the following text:*

CANON 36

Life Insurance, Dental and Medical Benefits

SECTION 1. The Ecclesiastical Authority, acting with the advice and consent of the Standing Committee, shall appoint a Benefits Committee of no fewer than seven members. The Benefits Committee shall include both clergy and lay members who shall serve for one-year terms and may be reappointed. Vacancies shall be filled by the Ecclesiastical Authority with the advice and consent of the Standing Committee. The Ecclesiastical Authority may appoint members of the Diocesan staff to serve as resource persons for the Benefits Committee.

SECTION 2. The Benefits Committee shall review annually the coverage terms and premium costs of the benefit programs established in Sections 3 and 4 of this Canon. It shall report annually to the Diocesan Convention its findings and recommendations on pertinent matters affecting these programs. The plan providers and overall level of benefits of these programs shall not be changed without the approval of the Convention. Between meetings of the Convention, in the case of urgent need, or when specifically authorized by Convention to act in its stead, the Benefits Committee may approve changes in the benefit programs as it deems necessary.

The Benefits Committee may, with the consent of the Diocesan Council, engage professional consultants to assist it with its work. Provision for the expense of such consultants shall be made in the Diocesan Budget.

The Benefits Committee shall advise the Chief Financial Officer of the Diocese in matters pertaining to the administration of the benefits programs, including standards of eligibility for participation in the plans. Eligibility shall be defined under the Retired Clergy and Lay Health Insurance Benefits Policies established by the Benefits Committee and reviewed annually as set forth in the first paragraph of this Section.

The Benefits Committee, with the help of Diocesan staff, shall provide an educational program, offered on an annual basis, to provide information on the eligibility and coverage provisions of the benefits programs.

SECTION 3: There shall be maintained within the Diocese programs for the purpose of providing life insurance, medical, and dental benefits for eligible actively employed (at least 1,000 hours per year) clergy and lay employees in the Diocese. The medical and dental benefits will also be available for the eligible dependents of those clergy and lay employees.

(a) The life insurance coverage must be provided to eligible actively employed clergy, and the employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for that coverage. Life insurance may, at the option of the employing congregation, be provided to eligible lay employees. If coverage is provided to eligible lay employees, it must be offered on a basis that is non-discriminatory, and the employing congregation must pay the same percentage (as established by the Convention) of the premium cost for that coverage.

(b) Dental benefits must be offered to eligible actively employed clergy, and the employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for both employee and dependent coverage. Dental benefits may, at the option of the employing congregation, be offered to eligible lay employees. If coverage is offered to eligible lay employees, it must be offered on a basis that is non-discriminatory and the employing congregation must pay at least the minimum employer premium payment amount established by the insurance company or benefit provider underwriting the dental plan, or a higher percentage as established from time to time by the Convention.

(c) Medical benefits must be offered to eligible actively employed clergy and lay employees, and the employing congregation must pay those working at least 1,500 hours per year a percentage of the premium cost for both employees and dependents set forth in the following subsections of this Section 3(c). There is no employer premium payment requirement for clergy and lay employees who work at least 1,000 but fewer than 1,500 hours per year; however, if premium payments are provided, parity between clergy and lay employees must be maintained.

(1) The employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for the traditional (non-high-deductible) medical plan that is selected by the rector, vicar, priest in charge, or interim of the congregation to cover such member of the clergy and his or her eligible dependents.

(2) If any lay employee or assistant clergy elect to participate in a health plan that has a higher premium cost than that of the plan selected by the rector, vicar, priest in charge, or interim, then the congregation may require that such employee pay the additional premium cost for such plan.

(3) If the rector, vicar, priest in charge, or interim of a congregation elects not to participate in a church health-care plan due to having health-care coverage through another source, as allowable under the Denominational Health Plan, the congregation shall pay the percentage (as established from time to time by the Convention) of the premium cost for the lowest-priced traditional plan available for all lay employees and assistant clergy of the congregation.

(4) If the rector, vicar priest in charge, or interim of a congregation elects to participate in a high-deductible health plan option, and the congregation elects to make a contribution to a health savings account of that rector, vicar, priest in charge, or interim, then parity applies, and the congregation must also make an equivalent contribution to a health savings account for each assistant clergy and lay employee who participates in a high-deductible health plan option.

(d) For purposes of this Section, "employing congregation" shall be deemed to include the Diocese of New Jersey and Collegiate Chapels. Where an eligible employee has more than one eligible employer, the employers may apportion payments based on hours worked. An employing congregation may elect to pay more than the diocesan minimum percentages of premiums, provided that all clergy and lay employees are treated equally.

SECTION 4: There shall be maintained within the Diocese a program for the purpose of providing medical benefits in addition to Medicare for the eligible retired clergy and lay Diocesan staff and their qualified spouses, widows, and widowers. The Diocese will pay 100% of the premium cost for this coverage if the clergy or lay person's employment in this Diocese commenced prior to

January 1, 1991. If the eligible person's employment in this Diocese commenced on or after January 1, 1991, the Diocese will pay a percentage based upon years of employment within the Diocese in accordance with the following schedule:

<u>Years Employed Within the Diocese</u>	<u>Percent of Premium Paid by Diocese</u>	<u>Percent of Premium Paid by Individual</u>
20 or more	100%	0%
15 but less than 20	75%	25%
10 but less than 15	50%	50%
5 but less than 10	25%	75%
Less than 5	0%	100%

No person employed within or retired from the Diocese shall have his or her existing benefits adversely affected by any future amendments to this Section.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part VI Canon 21, Section 2

Diocesan Canon 20 establishes the Loan and Grant Committee to review and make recommendations as to grants or loans to be made from diocesan trust funds, and Canon 21, Section 2, covers operations of the Capital and Revolving Fund, which is one of the trust funds the Loan and Grant Committee makes recommendations for. Currently, the Trustees of this fund are by canon limited to \$10,000 for any one grant, unless Diocesan Convention may approve a larger amount. The Rev'd Dr. Frank A. Hubbard, Chair of the Loan and Grant Committee, has proposed raising this amount to \$25,000. He notes that the \$10,000 limit was established a good number of years ago and costs have gone up since. His committee has found that sometimes mission churches have urgent and significant repair or replacement needs which cannot be fully addressed within the current limit of \$10,000.

If a mission's heating plant fails, it is not in a position to wait up to a year to obtain the permission of Convention for a grant to replace it. The Constitution and Canons Committee finds the proposed amendment reasonable, and accordingly moves the following implementing resolution:

Implementing Resolution VI: *Resolved*, That Section 2 of Canon 21 of the Canons of the Diocese of New Jersey be amended to read as follows (deletions shown by strikethrough, insertions by double-underline):

Capital and Revolving Fund

SECTION 2. The members of the Diocesan Council shall be the trustees of the Capital and Revolving Fund of the Diocese of New Jersey established by resolution of Diocesan Convention in May 1950. The trustees shall hold, manage, invest, reinvest and otherwise administer funds received through the Capital and Revolving Fund Campaign and such other funds as have been and shall be designated, donated, bequeathed or turned over to the Fund. The trustees shall provide grants and interest free loans to parishes, organized missions, chapels or other entities in union with or a part of the Diocese of New Jersey and for such other purposes as may be specifically approved by the Diocesan Convention. The trustees shall administer and manage the Fund subject to such directions and restrictions as may be adopted by Diocesan Convention. No grant shall be made for a sum larger than ~~\$10,000~~ \$25,000 without the approval of the Convention. The management of the Fund may by resolution of the Convention be transferred to such other entity as the Convention may designate. The trustees shall make a complete financial report to the Convention annually.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part VII Canon 75, Section 1

Diocesan Canon 75, Section 1 provides:

SECTION 1. All proposed amendments of the Constitution or Canons shall be submitted to the Standing Committee on Constitution and Canons for its study, report and recommendation, if any, at least sixty days prior to the Convention at which it is to be considered. No proposed amendment of the Constitution or Canons shall be considered by the Convention unless such proposed amendment shall have been referred to the Standing Committee on Constitution and Canons.

The Rev'd Dr. John P. Mitchell, a member of the Committee, has proposed changing the submission date to the December 1 prior to the annual convention. He has furnished the following statement in support of this change:

In the course of preparing for Convention each year the Standing Committee on Constitution and Canons is charged with studying and then making recommendations with respect to proposed changes to the Constitution and Canons of the Diocese. Properly done this work takes multiple meetings and time to analyze and consider the consequences of proposed changes. A Convention at the beginning of March requires pre-Convention meetings around the diocese beginning at the end of January. Preparation for these meetings in turn requires the Standing Committee to prepare, review and adopt its own final report by the middle of January. Under Canon 75 as it now stands, proposals can be submitted as late as the beginning of January, which makes it very difficult to give those proposals due consideration. In practice, diocesan committees and task forces have been submitting their own proposals several months in advance and well before December 1, allowing time for amendment, fine tuning, and coordination.

The proposed amendment would codify the more normal practice of those submitting proposals before December 1 and give the Standing Committee time to consider and report on all such changes.

The Committee agrees that advancing the submission date will allow the Committee to better deliberate proposed changes to the constitution or canons in order to issue a report for consideration at the preconvention meetings. In addition, since questions arise every year as to whether submissions are to be mailed by the cutoff date or received by that date, the Committee proposes clarifying language.

Accordingly, the Committee moves the following implementing resolution:

Implementing Resolution VII: *Resolved*, That Section 1 of Canon 75 of the Canons of the Diocese of New Jersey be amended to read as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 1. All proposed amendments of the Constitution or Canons shall be submitted electronically or by mail to the Standing Committee on Constitution and Canons for its study, report and recommendation, if any, ~~at least sixty days on or before~~ the December 1 prior to the Convention at which it is to be considered. No proposed amendment of the Constitution or Canons shall be considered by the Convention unless such proposed amendment shall have been referred to the Standing Committee on Constitution and Canons.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Conclusion

The Committee has received no further timely proposals for consideration this year. The Committee reminds members of Convention that proposals for amendments to the constitution or canons must be submitted to the Committee at least sixty days prior to the opening day of the next convention, or by around the end of December 2013 or beginning of January 2014. If Implementing Resolution VII is passed, that deadline will be December 1, 2013.

The Committee does appreciate the input it receives from other diocesan bodies within the areas of their expertise. The Committee also notes that Paul Ambos, Esq., and the Rev'd Dr. John P. Mitchell are completing their current terms on the Committee, although they are standing for reelection; we thank them for their service to date to the Committee.

Respectfully submitted,

The Reverend Terence Blackburn, Vice-Chair
The Reverend Dr. John P. Mitchell, Secretary
Paul De Sarno, Esq.
Richard Peirce, Esq.
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APPENDIX A
Text of Deferred Proposed Canon 53 for Part IV of Report

CANON 53
Effective Ministry Standards for Parishes

Each Parish of the Diocese is expected to be a congregation that cares for the spiritual and sacramental lives of its members and which, in justice and compassion, also reaches into its community and the world seeking Christ in all persons and proclaims the Gospel to those who are lost or have not heard. These are the responsibilities of all the members of the congregation, and not only its ordained and elected leadership. In discharging these responsibilities, each Parish of the Diocese is expected to meet the following standards of effective ministry ("Effective Ministry Standards"):

- a. Providing for the celebration of the Holy Eucharist as its principal act of public worship each Sunday;
- b. Presenting itself as a parish of this Diocese and of The Episcopal Church by conforming to the doctrine, discipline, and worship thereof and taking no action inconsistent therewith;
- c. Engaging in ministries of evangelism, service and advocacy in the surrounding community and beyond in ways appropriate to the resources of the congregation and needs of the world.
- d. Seeking and, once called, supporting a priest of The Episcopal Church as the Rector of the Parish;
- e. Welcoming the Bishop of New Jersey as its pastor in all matters, spiritual, sacramental and otherwise;
- f. Supporting the work of the Diocese by pledging and paying its annual Fair Share Pledge as a high priority within the budget of the parish and at the highest percentage of Fair Share Asking possible;
- g. Paying in a timely manner the minimum amounts of compensation required for the Rector and clerical and lay employees, including required expenses, health insurance premiums, and pension contributions;
- h. Maintaining insurances and paying the premiums thereof on buildings and properties of the parish, including fire and other casualty and liability as required by Convention or, if not so required, then as is reasonably prudent in the circumstances;
- i. Paying the operating expenses of the parish in a regular and timely manner without resorting to the invasion of endowment principal;
- j. Maintaining the structural integrity of parish buildings so as to permit their safe use by the parish;
- k. Otherwise conforming to the requirements of the Constitution and Canons of the Diocese of New Jersey, the Constitution and Canons of The Episcopal Church and the Statutes of the State of New Jersey in all respects, but including the holding of annual meetings, election of officers and Vestrymembers, maintaining parish records, and submitting all required Parochial Reports.

APPENDIX B
Text Comparison for Part V of Report

The following comparison shows changes between current Canons 40 and 36 and the proposed Canon 36, with deletions shown by strikethrough and additions by double-underline:

CANON 40 36

Life Insurance, ~~Committee~~ Dental and Medical Benefits

SECTION 1. The ~~Bishop~~Ecclesiastical Authority, acting with the advice and consent of the Standing Committee, shall appoint ~~an Insurance a Benefits~~ a Benefits Committee of not less than seven members. The ~~committee Benefits Committee~~ shall include both clergy and lay members who shall serve for one-year terms and may be reappointed. Vacancies shall be filled by the ~~Bishop~~ Ecclesiastical Authority with the advice and consent of the Standing Committee. The ~~Bishop~~ Ecclesiastical Authority may appoint members of the diocesan staff to serve as resource persons for the ~~committee~~ Benefits Committee.

SECTION 2. The ~~committee~~ Benefits Committee shall review periodically annually the group life insurance, ~~group health insurance, and group dental insurance~~ coverage, terms and premium costs of the benefit programs established in Sections 3 and 4 of this Canon provided for the clergy and eligible lay employees in the diocese, in accordance with Canon 36 and other actions of the Diocesan Convention. It shall report annually to the Diocesan Convention its findings and recommendations ~~regarding benefit levels, selection of carriers, and other~~ on pertinent matters affecting these programs. The plan providers and overall level of benefits of these programs shall not be changed without the approval of the Convention. Between meetings of the Convention, in the case of urgent need, or when specifically authorized by Convention to act in its stead, the Benefits Committee may approve changes in the benefit programs as it deems necessary.

SECTION 3.—The ~~committee~~ Benefits Committee may, with the consent of the ~~Finance and Budget Committee~~ Diocesan Council, engage professional consultants to assist it with its work. Provision for the expense of such consultants shall be made in the Diocesan Budget.

SECTION 4.—The ~~committee~~ Benefits Committee shall advise the Chief Financial Officer of the Diocese in matters pertaining to the administration of the ~~several group insurance plans~~ benefits programs, including standards of eligibility for participation in the plans. Eligibility shall be defined under the Retired Clergy and Lay Health Insurance Benefits Policies established by the Benefits Committee and reviewed annually as set forth in the first paragraph of this Section.

SECTION 5.—The ~~committee~~ Benefits Committee, with the help of ~~diocesan~~ Diocesan staff, shall provide an educational program, offered on an annual basis, to ~~inform those covered by the several group plans about benefit provisions and procedures for filing claims~~ provide information on the eligibility and coverage provisions of the benefits programs.

CANON 36

Insurance Fund

SECTION 13. There shall be ~~established in~~ maintained within the Diocese ~~in the manner hereinafter provided a fund~~ programs for the purpose of providing ~~protection against the cost of injury, sickness, life insurance, medical, and dental care~~ benefits for the ~~active eligible~~ actively employed (at least 1,000 hours per year) clergy and for the ~~retired clergy of the Diocese and their spouses, for the widows and widowers of clergy of the Diocese, and for eligible retired lay employees of~~ in the Diocese. The medical and dental benefits will also be available for the eligible dependents of those clergy and lay employees.

(a) The life insurance coverage must be provided to eligible actively employed clergy, and the employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for that coverage. Life insurance may, at the option of the employing congregation, be provided to eligible lay employees. If coverage is provided to eligible lay employees, it must be offered on a basis that is non-discriminatory, and the employing congregation must pay the same percentage (as established by the Convention) of the premium cost for that coverage.

(b) Dental benefits must be offered to eligible actively employed clergy, and the employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for both employee and dependent coverage. Dental benefits may, at the option of the employing congregation, be offered to eligible lay employees. If coverage is offered to eligible lay employees, it must be offered on a basis that is non-discriminatory and the employing congregation must pay at least the minimum employer premium payment amount established by the insurance company or benefit provider underwriting the dental plan, or a higher percentage as established from time to time by the Convention.

(c) Medical benefits must be offered to eligible actively employed clergy and lay employees, and the employing congregation must pay those working at least 1,500 hours per year a percentage of the premium cost for both employees and dependents set forth in the following subsections of this Section 3(c). There is no employer premium payment requirement for clergy and lay employees who work at least 1,000 but fewer than 1,500 hours per year; however, if premium payments are provided, parity between clergy and lay employees must be maintained.

(1) The employing congregation must pay the minimum percentage (as established from time to time by the Convention) of the premium cost for the traditional (non-high-deductible) medical plan that is selected by the rector, vicar, priest in charge, or interim of the congregation to cover such member of the clergy and his or her eligible dependents.

(2) If any lay employee or assistant clergy elect to participate in a health plan that has a higher premium cost than that of the plan selected by the rector, vicar, priest in charge, or interim, then the congregation may require that such employee pay the additional premium cost for such plan.

(3) If the rector, vicar, priest in charge, or interim of a congregation elects not to participate in a church health-care plan due to having health-care coverage through another source, as allowable under the Denominational Health Plan, the congregation shall pay the percentage (as established from time to time by the Convention) of the premium cost for the lowest-priced traditional plan available for all lay employees and assistant clergy of the congregation.

(4) If the rector, vicar priest in charge, or interim of a congregation elects to participate in a high-deductible health plan option, and the congregation elects to make a contribution to a health savings account of that rector, vicar, priest in charge, or interim, then parity applies, and the congregation must also make an equivalent contribution to a health savings account for each assistant clergy and lay employee who participates in a high-deductible health plan option.

(d) For purposes of this Section, "employing congregation" shall be deemed to include the Diocese of New Jersey and Collegiate Chapels. Where an eligible employee has more than one eligible employer, the employers may apportion payments based on hours worked. An employing congregation may elect to pay more than the diocesan minimum percentages of premiums, provided that all clergy and lay employees are treated equally.

SECTION 2.4. ~~The protection shall be such as that offered by such health insurance carriers as Blue Cross/ Blue Shield of New Jersey, the Episcopal Church Clergy and Employees' Benefit Trust, and the Delta Dental Program; or any similar organizations as may be approved by the Diocesan Convention. Between meetings of the Convention, in the case of urgent need, or when specifically authorized by Convention to act in its stead, the Insurance Committee of the Diocese may approve substitute coverage. The overall level of benefits of any medical, health care, or dental plan shall not be changed without the approval of the Convention. The Diocese shall carry a supplemental policy. There shall be maintained within the Diocese a program for the purpose of providing medical benefits in addition to Medicare for all the eligible retired, eligible persons, clergy and lay Diocesan staff and their qualified spouses, widows, and widowers. Effective January 1, 1991, insurance coverage for all eligible persons employed in the Diocese of New Jersey subsequent to that date will be. If the eligible person's employment in this Diocese commenced on or after January 1, 1991, the Diocese will pay a percentage based upon years of employment within the Diocese in accordance with the following schedule:~~

<u>Years Employed</u>	<u>Payable by Diocese</u>	<u>Payable by Individual</u>
20 or more	100%	0%
15 - 20	75%	25%
10 - 15	50%	50%
5 - 10	25%	75%
Under 5	The individual retiree shall be eligible for the plan, but must pay 100%	

<u>Years Employed Within the Diocese</u>	<u>Percent of Premium Paid by Diocese</u>	<u>Percent of Premium Paid by Individual</u>
20 or more	100%	0%
15 but less than 20	75%	25%
10 but less than 15	50%	50%
5 but less than 10	25%	75%
Less than 5	0%	100%

No person ~~presently~~ employed by within or retired from the Diocese shall have his or her existing benefits adversely affected by any future amendments to this Section ~~this Canon.~~

SECTION 3. ~~The Insurance Fund shall be administered by the Chief Financial Officer of the Diocese, and no payments from the Fund may be made except for purposes of the protection as described above and only to the agencies underwriting the Plans referred to in Section 2.~~

SECTION 4. ~~Monies for the Insurance Fund shall be those received by it from Diocesan Congregations, and other agencies utilizing the services of clergy and/or eligible lay persons in the amount equivalent to the individual cost of such protection as specified by the Plans, or equivalent to the individual plus dependents' costs as specified by the Plans, when dependent coverage obtains. Treasurers of Diocesan Congregations and agencies of the Diocese will be billed for the amount of such costs as a specified item on their Voluntary Pledge billing payable quarterly.~~

SECTION 5. ~~In the event any Diocesan Congregation does not remit payment of the above specified item, the Chief Financial Officer of the Diocese is authorized to deduct the amount of such item from said Congregation's payments made or to be made towards its Voluntary Pledge.~~