

Law & Ministry Update



The latest news about emerging legislative and judicial developments affecting Christian ministries.

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FEATURED ARTICLE

Three Landmark Cases Could Redefine Religious Freedom

Who Gets to Decide
if Your Ministry is
Religious Enough?

How Would Gender-
Transition Treatment
Bans Shape Your
Ministry's Policies?

What is the Impact of
Counseling Restrictions
on Faith-based
Guidance in Ministries?

Plus, four other judicial and policy updates
that could affect your ministry.



Preparing for the Road Ahead

The stakes in these cases are enormous, but they are only part of a broader narrative. Legal and cultural shifts are redefining the landscape for Christian ministries across the nation. Staying informed is vital, not only to anticipate challenges, but also to take proactive steps in safeguarding your mission.

As the U.S. Supreme Court and lower courts deliberate cases poised to redefine religious liberty, ministries must brace for the profound implications these decisions may have on their operations, missions, and principles. These cases address pivotal questions: Can the government define religiosity? How far can the state regulate gender-transition treatments? And what limits, if any, should exist on faith-based counseling? With outcomes that could reshape the relationship between state governments and religious organizations, ministries face a critical moment of reflection and preparation.

Welcome to Law & Ministry Update

www.brotherhoodmutual.com/legalassist/update

Brotherhood Mutual's newest resource is here to help ministries understand rapidly developing challenges that could affect their organizations. The team from Legal Assist is monitoring cases to provide ministries with timely updates and actionable insights from an insurance and risk management perspective. From Supreme Court rulings to emerging state laws, the goal is to inform and empower ministries to adapt and thrive in an increasingly complex legal environment.

Legal Assist is a free, ministry-focused service that provides access to Brotherhood Mutual's in-house team of legal professionals. They provide complimentary risk management guidance to your questions about ministry-related legal issues, including facility use, abuse prevention, employment, security, contracts, waivers, governance, and many others. To ask a question or see responses to frequently asked questions, visit www.brotherhoodmutual.com/legalassist.

Brotherhood Mutual is pleased to provide Legal Assist as a complimentary resource. Services through Legal Assist aim to provide general risk management guidance to our current and prospective policyholders.

While the information provided in this resource is intended to be helpful, it does not constitute legal advice and should not be used as a substitute for advice from a licensed attorney in your area. Please note that no attorney/client relationship is established through this process, and no legal advice will be provided. We strongly recommend regular consultations with a licensed local attorney as part of your risk management program.

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U.S. Supreme Court

Case #1: National Implications

Catholic Charities Bureau, Inc. v. Wisconsin Labor & Industry Review Commission

Who gets to decide if your ministry is religious enough?

Catholic Charities Bureau, a diocesan nonprofit in Wisconsin, has faithfully served disadvantaged populations, including the disabled, elderly, and indigent, without proselytizing or restricting services to Christians. Yet the state of Wisconsin denied the nonprofit's request for a religious exemption from its unemployment insurance program, asserting that its work isn't "religious enough." The state's rationale is that the organization serves people of all faiths and doesn't actively evangelize, thereby failing to meet government-imposed standards of religiosity. In this case, the lower courts upheld the state's decision, agreeing that the organization did not meet the statutory criteria for a religious exemption because its services are broadly inclusive rather than expressly religious. The U.S. Supreme Court will now determine whether such a narrow definition of religiosity is constitutional. This decision could either affirm or erode the autonomy of faith-based organizations in defining their own religious mission and impact the scope of religious exemptions nationwide.



Ministry Impact

A ruling in favor of Catholic Charities could reaffirm the independence of religious organizations, allowing them to remain faithful to their mission without governmental interference.

Conversely, a ruling against Catholic Charities could establish a dangerous precedent: Ministries might need to adjust their operations—potentially engaging in more overt evangelism or limiting their services to members of their faith—to meet legal standards. This could alienate those they seek to serve and create divisive barriers. Worse, it could open the door to broader governmental scrutiny of religious practices, risking the loss of tax exemptions and other critical protections.

What Your Ministry Can Do

1. Review and Update Religious Exemptions

- Assess your ministry's operational practices to ensure that they align with your faith-based mission. This includes reviewing service provisions, hiring practices, and employee expectations to ensure they are explicitly religious in nature.
- Clarify your ministry's religious mission in governing documents and policies, ensuring that your bylaws and mission statements reflect your faith-based purpose.
- Consult with legal counsel to determine how your ministry qualifies for religious exemptions under both state and federal laws. Legal experts can help you align your operations with religious exemption criteria.

2. Ensure Clear Documentation of Religious Activities

- Establish clear documentation showing the religious nature of your ministry's work, including outreach efforts and mission-driven activities. This will be vital in defending your organization's right to religious exemptions in the event of legal scrutiny.



U.S. Supreme Court

Case #2: National Implications

United States v. Skrametti

How would gender-transition treatment bans shape your ministry's policies?

At the center of this case is Tennessee's Senate Bill 1 (SB1), which bans gender-transition treatments for minors, including puberty blockers and hormone therapies. In *United States v. Skrametti*, the federal government challenged the law, asserting it unlawfully discriminates against transgender youth and exceeds state authority. A federal district court initially blocked enforcement of SB1, ruling that the law likely violates the constitutional rights of transgender minors. Tennessee appealed, and the Sixth Circuit reversed the district court, allowing SB1 to take effect, ruling it did not unconstitutionally discriminate and served the state's legitimate interest in regulating medical treatments for minors. The case was then petitioned for review by the U.S. Supreme Court, which agreed to hear it. With 25 states enacting similar bans, this case could establish a legal framework for addressing gender-transition issues in a ministry context nationwide.



Ministry Impact

If SB1 is upheld, faith-based organizations may find it easier to align their policies on gender identity with their religious convictions, particularly in areas such as employment practices, counseling services, and youth programming. However, ministries must remain vigilant about state and federal anti-discrimination laws, ensuring their policies are both lawful and mission-aligned.

If the law is struck down, ministries could face increased pressure to adopt policies that may conflict with their beliefs. Navigating this tension will require careful legal guidance and a commitment to protecting their mission while complying with evolving regulations.

What Your Ministry Can Do

1. Review Employment Policies and Governing Documents

- Ensure that your employment practices are consistent with your ministry's beliefs on gender identity, particularly for staff members in youth services and counseling roles. Clarify whether employees or volunteers are expected to adhere to your faith-based views on gender and sexuality.
- Clearly articulate your ministry's sincerely held beliefs concerning gender and sexuality in your governing documents (e.g., bylaws).

2. Update Counseling Guidelines

- Review your ministry's counseling policies, especially for minors, to ensure they align with both your religious values and the legal requirements in your state.

3. Prepare for State-Specific Legislation

- Given that laws related to gender identity and transition are evolving rapidly, ensure that your ministry is prepared for potential state-specific legislation by staying informed about the legal environment in your state and region.



U.S. Supreme Court

Case #3: National Implications

Chiles v. Salazar

What is the impact of counseling restrictions on faith-based guidance in ministries?

This case centers on a Christian counselor's challenge to a Colorado law that prohibits any counseling aimed at changing a minor's sexual orientation or gender identity, even when the minor or their parents request it. The counselor argues that the law infringes on her free speech and religious liberty, claiming it prevents her from offering counseling consistent with her faith and the wishes of her clients. The Tenth Circuit upheld Colorado's ban on conversion therapy for minors, ruling that the law regulates professional conduct rather than speech and is rationally related to the state's interest in protecting minors from harmful, ineffective treatments. The counselor has appealed to the United States Supreme Court.



Ministry Impact

A ruling in favor of the counselor could reaffirm the right of ministries to provide faith-based guidance consistent with their beliefs, restoring confidence in their ability to minister without fear of government overreach.

Conversely, if the Court upholds Colorado's ban, organizations that offer counseling services could face significant limitations, especially when addressing sensitive topics like gender identity and sexuality. This might necessitate a reevaluation of counseling practices and policies, as well as increased legal scrutiny.

What Your Ministry Can Do

1. Implement Informed Consent

- For all counseling services, particularly those related to gender identity and sexual orientation, ensure that your ministry has clear informed consent forms that outline the nature of counseling, your faith-based approach, and the scope of treatment. This documentation can protect your ministry from legal liability while maintaining transparency with clients.

2. Training for Counselors

- Train your counselors on the legal and ethical boundaries of faith-based counseling. Counselors should understand both state-specific laws and the ministry's religious position on sensitive topics like gender identity and sexual orientation.

3. Review Client Requests

- Carefully review client requests for counseling, especially in states with restrictive laws, to ensure that your ministry is not inadvertently violating these laws. Implement a clear policy to manage how counseling is provided, particularly when minors or individuals seeking gender-related counseling are involved.

As these cases unfold, we'll continue to provide analysis and practical recommendations. Stay tuned for follow-up articles after the anticipated decisions this summer and in 2026. In the meantime, consider consulting legal and risk management experts to assess how these rulings could affect your ministry's policies and practices.

Federal Case

Case #1: Regional Implications

Cedar Park Assembly of God v. Kreidler

How could ministries be required to fund employee reproductive health options?

A ministry is being compelled to provide health insurance that funds abortions—an act that directly contradicts its deeply held religious convictions. Cedar Park Assembly of God in Washington finds itself at the center of a legal battle that could have nationwide implications for Christian ministries.



What You Need to Know

For years, Cedar Park provided health insurance to its employees while maintaining its pro-life stance. However, Washington's 2018 Reproductive Parity Act requires insurers to include abortion coverage if they offer maternity care. Cedar Park's insurer eliminated no-abortion plans, leaving the church without options that reflect its values. In *Cedar Park Assembly of God v. Kreidler*, the church argued that the mandate violated its First Amendment rights, asserting that the law coerced it into indirectly funding abortions contrary to its religious beliefs. Washington defended the Reproductive Parity Act by emphasizing the importance of ensuring equitable access to comprehensive reproductive healthcare for all insured individuals. The Ninth Circuit dismissed the case, attributing the problem to the insurer's choices rather than the law. Cedar Park has requested a rehearing. If its request is denied, the church may appeal to the Supreme Court.



Why This Matters

This case highlights the growing tension between religious convictions and government mandates. Ministries in states with similar laws may find themselves forced to choose between compromising their beliefs or forgoing health insurance altogether. The impact is far-reaching, as health coverage often affects recruitment, retention, and overall ministry operations.

Moreover, a legal precedent attributing challenges to insurer choices rather than the law itself could make it even harder for ministries to defend their beliefs. Christian organizations should ensure their policies align with their missions and values while remaining prepared for potential legal challenges.

What Your Ministry Can Do

1. **Review Your Health Insurance Plans:** Conduct an in-depth review of your current coverage to identify provisions that conflict with your values.
2. **Engage with Insurance Providers:** Seek insurers or agents who specialize in serving faith-based organizations.
3. **Consult Legal Counsel:** Work with attorneys to understand your rights and prepare for possible litigation.

Court: Ninth Circuit (Covers AK, AZ, CA, HI, ID, MT, NV, OR, WA)

Status: Cedar Park has requested a rehearing. If its request is denied, the church may appeal to the U.S. Supreme Court.

Federal Case

Case #2: Regional Implications

CompassCare v. Hochul

How would your ministry be required to hire employees with conflicting values?

What happens when a ministry is told it must employ individuals whose personal choices are not aligned with its mission? This is the issue *CompassCare*, a pro-life organization in New York, is facing under New York Labor Law Section 203-e, which prohibits employers from making hiring or firing decisions based on reproductive health choices.



What You Need to Know

In *CompassCare v. Hochul*, *CompassCare* contends that the law undermines their ability to require employees to adhere to their religious beliefs, claiming it imposes unconstitutional restrictions on religious organizations' hiring practices. Meanwhile, New York defends the law as necessary to protect employees from discrimination, arguing that the measure ensures equal employment opportunities without unduly burdening religious freedoms. While a lower court initially dismissed most claims, the Second Circuit reinstated a key claim, indicating the law may violate constitutional protections. The case now returns to the lower court for further proceedings.



Why This Matters

This case strikes at the heart of a ministry's ability to uphold its mission. If the courts ultimately side against faith-based organizations, ministries could be forced to retain employees whose actions undermine the sincerely held values of their organizations. This could erode the trust of congregants and donors, weakening the ministry's impact.

Even beyond New York, the case sets a concerning precedent for other states to enact similar laws. Ministries across the nation must be vigilant in protecting their right to employ individuals who share their vision and values.

What Your Ministry Can Do

1. **Review Governing Documents:** Ensure your mission, statement of faith, and employee handbooks clearly define expectations for staff.
2. **Partner with Legal Experts:** Seek guidance on crafting policies that balance your convictions with compliance.
3. **Stay Informed:** Monitor this and similar cases to anticipate changes that could impact your hiring practices.

Court: United States Court of Appeals for the Second Circuit. (Covers CT, NY, VT)

Status: Case remanded by the Second Circuit back to the District Court for further consideration of additional claims.

Federal Policy Change

How would your ministry prepare for an immigration raid?

What would you do if immigration enforcement actions disrupted your worship service or ministry program? The recent rescission of federal directives designating churches and schools as safe sanctuaries for undocumented immigrants could have significant implications for faith communities across the United States. This federal policy change, which began in January 2025, permits Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP) agents to conduct enforcement actions in places of worship, schools, and other previously protected areas.



What You Need to Know

Under previous policies, immigration enforcement was limited in sensitive locations, such as churches, allowing ministries to serve undocumented congregants without fear of federal intervention. The policy change has led to declining participation in some ministry programs, as many undocumented individuals fear exposure. Despite several recent legal challenges from faith-based organizations, the policy change largely remains in effect.



Why This Matters

The removal of sensitive location protections creates new challenges for ministries serving certain vulnerable populations. Declining attendance affects outreach efforts, while sudden enforcement actions could damage trust within congregations and communities. Ministries must be prepared to navigate these risks while continuing to offer compassion and support.

Furthermore, the decision highlights the importance of operational readiness. Without clear protocols, a ministry's response to enforcement actions could lead to confusion, panic, or unintended legal consequences.

What Your Ministry Can Do

- 1. Update Operational Protocols:** Develop and communicate clear procedures that protect congregants and maintain safety in the event of potential immigration enforcement actions. For a sample policy and more information on immigration enforcement, visit brotherhoodmutual.com/legalassist/retraction-of-sanctuary-policies
- 2. Form a Response Team:** Assemble a team of staff and volunteers trained to provide guidance, emotional support, and resources to affected congregants.
- 3. Utilize Legal and Community Resources:** Consider partnering with organizations offering guidance on risk management, legal compliance, and congregant support. Additionally, services like Legal Assist can review your protocols and provide tailored risk management advice.

State Case

Case #3: State Implications

Roman Catholic Archbishop of Washington v. John Doe, et al.

How would an abuse claim from 50 years ago impact your ministry financially?

What if your ministry could be sued for child abuse claims from decades ago? This scenario has become a reality in Maryland, where a new law eliminates time limits for filing such lawsuits.



What You Need to Know

Previously, Maryland law required abuse claims to be filed within 20 years after a victim turned 18. However, the 2023 Child Victims Act removed these limits, allowing previously barred claims to proceed. In this case, several ministries argued that the retroactive application of the law was unconstitutional, claiming it violated due process protections and created unfair liability for actions from decades past. Conversely, proponents of the law, including abuse survivors, argued that it was necessary to ensure justice for victims whose claims were previously time-barred, emphasizing the long-lasting impact of abuse and the need to hold institutions accountable. Maryland's highest court upheld the law, determining that the legislature had the authority to remove the statute of limitations for civil claims.

This decision aligns with a broader legal trend across the United States, where many states have enacted similar legislation to extend or eliminate statutes of limitations for abuse claims, aiming to provide survivors with greater access to justice. The ruling has already led to numerous lawsuits against churches and ministries, potentially reshaping the legal landscape for abuse claims in Maryland and beyond.



Why This Matters

This ruling exposes ministries to significant financial and reputational risks. Even if a ministry has no current ties to past abuse, defending against decades-old allegations can be costly and disruptive. A single claim can damage a ministry's reputation and hinder its ability to serve its community effectively.

The Maryland decision is likely to inspire similar legislation in other states, creating a national trend that ministries cannot afford to ignore. Proactively addressing these risks is crucial to ensuring your ministry's long-term viability and mission.

What Your Ministry Can Do

- 1. Review Historical Records:** Ensure all records are accurate, organized, and securely stored.
- 2. Strengthen Abuse Prevention Policies:** Update child protection policies and invest in training and background checks.
- 3. Verify Insurance Coverage:** Confirm that your policies cover historical abuse claims.

Court: Maryland Supreme Court

Status: Law upheld by Maryland Supreme Court. In April 2025, the Maryland General Assembly voted to amend the law to cap damages and legal fees. The new law is set to take effect on June 1, 2025.