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The Legal Status of Fraternities

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ST. LOUIS LAW REVIEW

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There has been a small increase in students in the Law School this year, and students have come from eleven different states. The present Senior Class, being the first to enter under the new requirement of two years' pre-legal work, is small. For that reason it is probable that there will be a large increase in 1926-27. Although there is only a two-year pre-legal requirement, about ten per cent of the students already have college degrees.

THE LEGAL STATUS OF FRATERNITIES.

It is the purpose of this article to consider the legal status of fraternities, using the word "fraternities" in the sense that they are the well-known secret organizations which are composed of members who are, or who have been, students in the various universities and secondary schools of the United States and Canada.¹ Sometimes these organizations are called Greek-letter fraternities because they usually, but not always, take two or three Greek letters for their name. No distinction is made in the cases between fraternities and sororities. The word "fraternity," in its generic sense includes organizations of either or both sexes.²

The first Greek-letter fraternity was founded in 1776 at the College of William and Mary, Williamsburg, Virginia. It is now a purely honorary society. The first of the several orders of Kappa Alpha originated at the University of North Carolina in 1812, whereas the first of the women's Greek-letter fraternities was founded many years later. There may be some dispute as to which was the first women's fraternity, but the distinction is usually given to Kappa Alpha Theta, which was founded at De Pauw University in 1870. The first Greek-letter society in a secondary school was Alpha Phi, which was founded in 1876.³ There are now over 137 national college fraternities having

¹ Fraternities as we know them exist only in the United States and Canada. Encyclopedia Britannica (1910).
² 26 C. J. 1049; Bradford v. Board of Education (1912), 18 Cal. App. 19, 121 Pac. 929; State ex rel Daggy v. Allen et al. (1920), 189 Ind. 369, 127 N. E. 145.
NOTES

2 total of over 610,000 members, and owning more than 900 houses. The value of fraternity houses was estimated to have been $18,409,200 in 1920. The significance of these statistics is that fraternities have grown so that with their large membership and immense holdings of property it is not surprising that they should be involved in litigation from time to time.

The legal status of fraternities will be considered as to their: (1) right to exist, (2) internal government, (3) contracts, and (4) occupancy.

AS TO THEIR RIGHT TO EXIST

There have been many attempts in the several states to exclude fraternities, some of which have been successful and some of which have not been successful. The rules and statutes prohibiting fraternities may perhaps be best considered under the following classification: (a) in private institutions; (b) in public high schools; and (c) in public universities.

(a) In Private Institutions. In a private school the relation of student and management is contractual, and the student by entering impliedly assumes to obey all reasonable rules and regulations. A rule prohibiting secret societies was held to be reasonable in the case of People v. Wheaton College, which was decided in 1866. A student, E. Hartley Pratt, joined a secret society known as the "Good Templars," and was suspended from the college by the faculty until he should express a purpose to conform to its rules. His father applied for a mandamus to compel the college to reinstate him as a student. The Illinois Supreme Court, in denying the order said, "... Wheaton College is an incorporated institution resting upon private endowment, and deriving no aid whatever from the State. Its charter gives to the trustees and faculty the power to adopt and enforce such rules as may be deemed expedient for the government of the institution, a power which they would have possessed without any express grant, because incident to the very object of their incorporation and indispensable to the successful management of the college. Among the rules which they have deemed it expedient to adopt is one forbidding students to become members of secret societies. We perceive nothing unreasonable in the rule itself, since all persons familiar with college life know that the tendency of secret societies is to withdraw

6. 40 Ill. 186.
students from the control of the faculty and impair, to some extent, the discipline of the institution. Such may not always be their effect, but such is their general tendency, and, whether the rule is judicious or not, it violates neither good morals nor the law of the land, and is, therefore, clearly within the power of the college authorities to make and enforce." This case has generally been accepted as authority for the proposition that a private institution may prohibit fraternities by refusing to admit students who are members and expelling those who join after their admission.

(b) In Public High Schools. As to public high schools there is a conflict of authority on the question whether boards of education may make rules whereby students are denied all or even any, of the privileges of the school on account of membership in a fraternity. In the absence of explicit legislation giving the school boards the right to deny any or all of the privileges of the school on account of membership in fraternities, it was held in Illinois that the pupils may be denied the privilege of representing the schools in literary or athletic contests or in any other public capacity. In Washington the board was upheld in its rule which denied fraternity members all privileges of the high school except that of attending classes. Later Illinois held that the students belonging to fraternities may even be expelled from the school. But Missouri refused to allow a board of education to enforce a rule which denied the members of fraternities certain privileges of the school. Where statutes have been passed prohibiting fraternities in high schools they have always been upheld by the courts. The decisions involving the prohibition of fraternities in public high schools will be briefly reviewed under two headings: (1) where there is no statute prohibiting fraternities in high schools, and the boards of education acted under the authority given them by the state to make and enforce rules for the regulation of the schools; and (2) where there is a statute expressly prohibiting fraternities in high schools.

(1) Where there is no statute prohibiting high school fraternities. In Missouri, in Wright v. Board of Education the court held that the statute giving the board power as follows: "Every such

7. 5 R. C. L. Supp. 1293; 27 A. L. R. 1074.
12 Supra, Footnote 11.
13. R. S. Mo. 1919, Sec. 11,461.
board of education . . . shall have power to . . . make, amend, and repeal rules and by-laws . . . for the government, regulation, and management of the public schools and school property in such city . . . which rules and by-laws shall be binding on such board of education and all parties dealing with it until formally repealed . . . ” did not give the board the right to enforce a rule which declared that pupils who become and remain members of a high school fraternity are rendered ineligible to membership in any organization authorized and fostered by the school, and are not entitled to represent it in any manner or participate in any of its graduation exercises. The court said, “ . . . no rule should be adopted which attempts to control the conduct of pupils out of school hours after they have reached their homes which does not clearly seek to regulate actions which, if permitted, will detrimentally interfere with the management and discipline of the school . . . ”. The court also said, “ . . . the schools are public institutions, supported by the taxes of the people, to which the children of all its citizens within the appropriate districts may enjoy the privileges of same unless their conduct is such as to injuriously affect the school. Those who are members of the prohibited fraternities, unless same are shown to possess the detrimental features stated, are as much entitled to all of the advantages afforded by the school as other pupils. To deny them this right constitutes an unjust discrimination unsupported by right or reason, which should not receive judicial sanction.” The decision in this case appears to be contrary to what had been previously decided in the other states in which this question arose, as will be shown by the following decisions.

In Wayland v. Board of School Directors, 14 the Washington court held that the school directors were justified in denying members of fraternities participation in athletic, literary, military, or similar school organizations constituting no part of the school work though the meetings were held after school hours, at the homes of the members, and with parental consent, under a statute giving the school directors authority to make and enforce rules and suspend or expel pupils who disobey.

In the Illinois case of Wilson v. Board of Education, 15 a rule of the board prohibiting pupils who were members of fraternities from representing the schools in any literary or athletic contest, or in any other public capacity, but not denying them other privileges such as membership in literary societies, was upheld. The same rule was up-

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15. Supra, footnote 8.
held in *Favorite v. Board of Education.* 16 In *Smith v. Board of Education,* 17 the Illinois court went still further. The revised statutes gave the board power to expel pupils guilty of gross disobedience or misconduct, and the rule of the board prohibiting fraternities resulted in the suspension of a pupil. The court held that a court of law is not authorized to review the decision of such board except where fraud, corruption, or gross injustice is palpably shown, and the action of the board was upheld. In 1919 Illinois passed a statute 18 prohibiting fraternities, sororities, or secret societies in the public schools of the state of Illinois.

(2) Where there is a state statute prohibiting fraternities in high schools. Statutes prohibiting or limiting fraternities in the public schools have been passed in many states, some of them being California, Colorado, Illinois, Iowa, Michigan, Minnesota, Montana, Nebraska, Ohio, Oklahoma, and Vermont.

The Illinois statute prohibiting fraternities in the public schools was held valid and not unconstitutional in *Sutton v. Board of Education,* 19 where the expulsion of a student by the board was upheld.

In California a girl was suspended from high school because of her membership in a fraternity. The action of the board was upheld and the statute declared constitutional in *Bradford v. Board of Education.* 20

In Iowa the statute provided that it shall be unlawful for any pupil registered as such and attending any public school to join or solicit others to join any fraternity or society wholly or partially formed from the members of such schools, except such societies or associations as are sanctioned by the board of directors of such schools. The plaintiffs in *Lee v. Hoffman,* 21 and other members of a fraternity were expelled from a public school under a rule adopted by the board. The court refused to compel the board to admit them.

(c) In Public Universities. Where there is no statute prohibiting fraternities in universities, the public universities have no right to refuse admission to a student who refuses to sign a pledge that he will have no connection with any fraternity while he is a student at the university. 22 But where there is a law abolishing fraternities in all educational institutions supported in whole or in part by the state, admis-
sion may be refused if the student refuses to sign a pledge before enter-
ing school, that he is not pledged to become a member of any of the
prohibited fraternities, nor a member of any such fraternity, and that
he will not join any such while he is a student, or aid, or abet or
encourage the organization or perpetuation of any of the orders.23

Only two cases involving the prohibition of fraternities in public
universities seem to have come before the courts, and as it will be
noted, they both involved the right of the university to refuse ad-
mission. Where there was no statute prohibiting fraternities, the
right to refuse admission was denied by the court, and where there
was a statute the right to refuse admission was upheld. The question
remains, can a public university expel a student who joins a fraternity
after he has been admitted to the school? It seems that where there
is a statute abolishing fraternities, as there was in the Mississippi case,
the university has the right because the Supreme Court of the United
States in Waugh v. University of Mississippi24 said, "It is very trite
to say that the right to pursue happiness and exercise rights and lib-
erty are subject in some degree to the limitations of the law, and
the condition upon which the State of Mississippi offers the com-
plainant free instruction in its university, that while a student there
he renounce affiliation with a society which the state considers inimi-
cal to discipline finds no prohibition in the Fourteenth Amendment." But where there is no state law prohibiting fraternities it seems that
it would be necessary for the trustees of the university to show that
the connection with the fraternity tends, in some material degree, to
interfere with the proper relation of students to the university. The
court, while not passing on that point in State v. White et al.25 said,
"It is clearly within the power of the trustees and of the faculty, when
acting presumably or otherwise in their behalf, to absolutely prohibit
any connection between the Greek fraternities and the university. The
trustees have also the undoubted authority to prohibit the attendance
of students upon the meetings of such Greek fraternities, or from
having any other active connection with such organizations so long as
such students remain under the immediate control of the university,
whenever it can be made to appear that such attendance upon a meet-
ing of, or other active connection with, such fraternities, tends, in any
material degree to interfere with the proper relation of students to
the university. As to the propriety of such and similar inhibitions

Ed. 1131.
24. Supra, footnote 23.
25. Supra, footnote 22.
and restrictions the trustees, aided by the experience of the faculty, ought to be the better judge, and as to all such matters within reasonable limits, the power of the trustees is plenary and complete."

State laws prohibiting fraternities in universities have been passed in very few states, such as South Carolina, Arkansas, and Mississippi.

**AS TO THEIR INTERNAL GOVERNMENT**

It is well known that the various fraternities have made provisions for determining the controversies within the order, and it appears that they have been very efficient in governing themselves as it seems that in only one instance have the members appealed to a court. This was the case of *Heaton v. Hull*, where a court of equity enjoined the grand council of the Kappa Kappa Gamma from wrongfully withholding the charter of a chapter at St. Lawrence University, although it said no property rights were involved.

It is the general rule that courts will not take jurisdiction as to voluntary societies, until remedies provided for in the society have been exhausted. They then generally do not take jurisdiction unless there is fraud, oppression, or bad faith, or property or civil rights are invaded or the proceedings in question are violative of the laws of the society, or the law of the land or are illegal.

In Missouri the rule is that "courts will not undertake to regulate the internal affairs of voluntary associations. It is only when property rights are involved that the courts will take jurisdiction at all, and in the exercise of that jurisdiction will only pass upon questions affecting the internal affairs of the association in so far as it becomes necessary to protect the property rights directly involved, and if it shall appear that the party has a complete remedy within the society as provided by its by-laws, either by appeal or otherwise, the courts will not undertake to adjudicate those matters until he has exhausted his remedy within the association."31

**AS TO THEIR CONTRACTS**

Most national college fraternities consist of three units; the national organization, the local chapter, and the property holding unit for the local chapter. These various units are sometimes incorporated

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26. See Civil Code, So. Carolina (1922), Sec. 2767.
27. See Crawford and Moses, Digest of Statutes (1921), Secs. 9549, et seq.
29. 5 C. J. 1365; Niblack, Vol. Soc. (1888), page 152.
30. 5 C. J. 1365.
and sometimes not incorporated. The property holding unit, however, is generally either a corporation or a common law trust. In considering these units they will be spoken of as the "fraternity." It seems that but few cases have arisen involving actions by and against fraternities on their contracts, but there is no reason why the ordinary rules of law should not apply. If the organization considered is incorporated, its rights and liabilities should be governed by the law of corporations, and if it is not incorporated, the law applicable to voluntary associations not organized for profit should govern.

Where the fraternity is incorporated, the rights and liabilities on contracts are those of the corporation, it being well known that the corporation and the members who compose it are separate and distinct persons. The general rule, therefore, would seem to be that the members of an incorporated fraternity are not personally liable on the contracts of the corporation, unless made so by constitutional provision or statutory enactment, or unless they have assumed a larger liability by contract or by conduct. Of course if a member makes an unauthorized contract he can be held personally.

Where the fraternity contracting is not incorporated, the transaction is no doubt governed by the law applicable to voluntary associations not for purposes of trade or profit. The great weight of authority is that such associations, unlike those organized for trade or profit, are not partnerships and the liability of its members for debts contracted in behalf of the association is governed by the principles of agency. Pecuniary liability can be fastened upon individual members of these associations only by reason of their acts or the acts of their agents; and agency is not implied from the mere fact of association, but must be proved. A course of dealing may amount to proof of original authority. Another way of stating the same thing is that a member of a voluntary association not organized for profit is not bound by any obligation incurred by or on behalf of the association without his consent or subsequent ratification. But after the liability has been established, the liability is joint and several, and each member is individually liable for all the debts of the association to third

32. See Korstad v. Williams et al (1914, Washington), 141 Pac. 881, where action was brought against members of a fraternity who leased a house.
34. 5 C. J. 1364; Richmond v. Judy (1879), 6 Mo. App. 465; Meriwether v. Atkin (1909), 137 Mo. App. 36, 119 S. W. 36; See 7 A. L. R. 222.
35. Richmond v. Judy, supra, footnote 34.
36. Rife v. Proctor (1903) 99 Mo. App. 601, 74 S. W. 409; Meriwether v. Atkin, supra, footnote 34.
A member who has been compelled to pay a debt of the association may enforce contribution in equity from the other members.

It must be remembered that many of the members of fraternities are minors, and as such they are liable on their contracts for necessaries only, their other contracts being voidable. But minors may be competent agents.

AS TO THEIR OCCUPANCY

As to the occupancy of fraternities two interesting questions are presented: (1) are fraternities exempt from taxation, and (2) what is the status of fraternity houses as regards covenants concerning the use of property? These questions will be considered in the order named.

Taxation. The exemption of fraternity houses, that is, buildings occupied by fraternities, depends upon the interpretation of the statutes of the various states exempting property from taxation. In general, the chapter houses of college fraternities are not exempt from taxation under statutes exempting property used for educational, scientific, or literary purposes when the courts have found that the primary purpose of the building was for a boarding house. In such cases it is immaterial that the purpose for the use of the property may have been stated, in the charters, to be for educational, scientific, or literary purposes, the statute exempting property used for these purposes, because it is not the purpose for which the organization is formed, but the use to which the property is put, which determines whether it comes within the exemption. Where the property is owned by the university and the law exempts all property used exclusively for school purposes, and not leased or otherwise used with a view to profits, it was held in Knox College v. Board of Review that the fraternity houses owned by the college were taxable because "they are not unconditionally open to all students and not ostensibly or actually used exclusively for educational purposes."

In Massachusetts property used by a literary or scientific corporation was exempt from taxation, but in Phi Beta Epsilon Corp. v. City of Boston the house was held subject to taxation on the ground that

37. 5 C. J. 1364; 25 Am. & Engl. Encl. Law 1136.
38. 5 C. J. 1364.
39. Schouler on Domestic Relations, Secs. 403, 411.
40. Huffcut on Agency, Sec. 23.
41. 35 A. L. R. 1045.
42. 37 Cyc. 927; Benev. Assn. of Elks v. Wintersmith (1924, Kentucky), 263 S. W. 670.
43. (1923) 308 Ill. 160, 139 N. E. 56, 35 A. L. R. 1041.
44. (1903) 182 Mass. 457, 65 N. E. 824.
the dominant use was for a dormitory and boarding house. In Maine
the property used for literary and scientific purposes was also exempt
from taxation, but the court in Inhabitants of Orono v. Sigma Alpha
Epsilon Society 45 held that the exemption did not apply as the de-
fendants' house was in the nature of a public boarding house. In
New York, in People ex rel. Delta Kappa Epsilon Society v. Lawler 46
the law provided "the real property of a corporation or association
organized exclusively for the moral or mental improvement of men
and women or for . . . educational, scientific, literary, library
. . . purposes, or for two or more such purposes and used exclu-
sively for carrying out thereupon one or more of such purposes, and
the personal property of any such corporation shall be exempt from
taxation." The court held that a house owned by the fraternity chap-
ter was not exempt from taxation.

On the other hand, in at least two states the laws have been con-
strued to exempt property of fraternities from taxation, while in In-
diana and Vermont the statutes expressly exempt such property.

In Beta Theta Pi Corporation v. Board of Commrs. of Cleveland
County 47 the property owned and used by the fraternity at the Okla-
homa State University was held exempt from taxation under a statute
providing that "all real estate belonging to fraternal orders or so-
cieties, no which is erected a building . . . shall be exempt from
taxation . . ." In Kappa Kappa Gamma House Assn. v. Pearcy 48
the fraternity house was held exempt from taxation under a Kansas
statute providing that "all real estate . . . and the buildings
thereon situate, and used exclusively by any college or university so-
ciety as a literary hall or as a dormitory, if not leased or otherwise
used with a view to profit . . . shall be exempt from taxation."

In Indiana, in the case of State ex rel. Daggy v. Allen 49 the
statute exempting property of Greek-letter fraternities connected with
any college, university or other institution of learning, and under the
supervision thereof and which is used exclusively by such Greek-letter
fraternity to carry out the purposes of such organization, was held
valid.50

In Missouri the precise question as to whether fraternity property
is exempt from taxation has apparently not been before the courts,

45. (1909) 105 Me. 214, 74 A. 19.
46. (1902) 74 N. Y. App. Div. 553, 77 N. Y. S. 840, affirmed in 179 N. Y.
535, 71 N. E. 1136.
47. (1925) 234 Pac. 354.
48. (1914) 92 Kan. 1020, 142 Pac. 294.
49. (1920) 189 Ind. 369, 127 N. E. 145.
50. See Vermont Statute, Genl. Laws 1917, Sec. 684.
but it seems that such property is not exempt under the existing laws. The Missouri Constitution, in Article X, Section 6, after providing for the exemption of property of the state, counties and other municipal corporations, and cemeteries, provides that certain lots with the buildings thereon "may be exempted from taxation when the same are used exclusively for religious worship, for schools, or for purposes purely charitable; also such property . . . as may be used exclusively for agricultural or horticultural societies; Provided, that such exemptions shall be only by general law." Section 7, following, states: "All laws exempting property from taxation, other than the property enumerated above, shall be void." Accordingly laws were passed exempting certain property. In construing these statutes, it is a well-known rule that statutes creating exemptions from taxes are strictly construed, and the right of exemption exists only when expressed in explicit terms and must be established beyond a reasonable doubt.51

R. S. Mo., 1919, Sec. 6430, does not exempt fraternity property because it applies to fraternal societies making a provision for the payment of death benefits, and because it does not exempt real estate and office equipment of these societies. Sec. 12,753 provides that "The following subjects are exempt from taxation . . . sixth, lots . . . with the buildings thereon, when same are used exclusively for religious worship, for schools or for purposes purely charitable." It would seem that fraternities could not contend that their property is used exclusively for schools for the reasons stated in Knox College v. Board of Review.52 Is fraternity property used exclusively for purposes "purely charitable"? After reading the opinion in St. Louis Lodge No. 9, B. P. O. E., v. Koeln, Collector53 it would seem that the answer must be no, for the court says, "The constitutional exemption requires that the property be 'exclusively' used for purposes 'purely' charitable. This 'exclusive' use implies that all other uses must be excluded. This exclusion naturally applies to vaudeville, boxing, dancing, billiards and cards for the amusement of the owners."54 Sec. 12999 exempts corporations formed for religious, educational and benevolent purposes55 from payment of franchise tax and says nothing as to exemp-

51. 37 Cyc. 892; 26 R. C. L. 274; St. Louis Lodge No. 9, B. P. O. E. v. Koeln, Collector (1914), 262 Mo. 444, 171 S. W. 329, L. R. A. 1915C 694, Ann. Cas. 1916E 784.
52. Supra, footnote 43.
53. Supra, footnote 51.
54. See Fitterer v. Crawford (1900), 157 Mo. 51, 57 S. W. 532, 50 L. R. A. 91; Horton, County Treas. v. Colo. Springs Masonic Bldg Soc. (1918), 64 Colo. 529, 173 Pac. 61; Salt Lake Lodge v. Groesbeck (1911), 40 Utah 1, 120 Pac. 192; 22 A. L. R. 907; 34 A. L. R. 634; and 38 A. L. R. 36.
55. See R. S. Mo. 1919, Sec. 10,264 et seq.
tion from property tax. Therefore, it seems that no existing statute exempts fraternity property from taxation in Missouri, and furthermore, if a law expressly exempting it were passed, it seems that it would be unconstitutional because of Section 7 of the Missouri Constitution.

Of course if the legislature exempts all the property of a university from taxation, fraternity houses owned by such universities are exempt from taxation.

Restrictions as to use of property. It is sometimes contended that fraternity houses come within the restrictions or covenants as to the use of land. It would seem that no general rules can be laid down, but that each instance must be decided as it arises, looking at the covenant alleged to have been broken and also at the use which the fraternity is making of the house. For instance, if the property is not to be used for a boarding house, it is a matter of fact whether or not it is so used by the fraternity. In several cases, while considering the matter of taxation, the courts have found that the fraternity houses under consideration were in the nature of a boarding house, and used for a boarding house. But it does not follow that all fraternity houses are boarding houses because meals may not always be furnished. As to whether fraternity houses could be called a business, or whether they are dwelling houses to be used exclusively as a residence, or whether the fraternity is one family are among the interesting questions which may arise.

C. SIDNEY NEUHOFF, '27.

56. See Washington University v. Rouse (1869), 8 Wall. 430, 19 L. Ed. 439.
58. Phi Beta Epsilon Corp. v. City of Boston, supra, footnote 44.
59. See 41 L. R. A. (N. S.) 615.
61. In City of Syracuse v. Snow and Theta Delta Phi Corp (1924) 205 N. Y. S. 785, 123 Misc. 568, a sorority was held to be a “family” and not a business, under certain zoning rules and regulations.