

MASSACHUSETTS SUPREME JUDICIAL COURT

Walter E. Fernald Corporation v. The Governor & others

Walter E. Fernald Corp. v. The Governor, 471 Mass. 520 (2015) · No. SJC-11801 · Decided May 29, 2015

SUMMARY

The Massachusetts Supreme Judicial Court held that sovereign immunity does not bar an action in which a plaintiff seeks to establish its ownership of specified parcels of recorded land. The court affirmed a Land Court judgment declaring that the Walter E. Fernald Corporation, rather than the Commonwealth, owned the Templeton parcels. It concluded that the corporation remained an entity separate from the Commonwealth despite the State’s involvement in managing and funding the school it established.

CASE DETAILS

COURT	Massachusetts Supreme Judicial Court
WRITING FOR THE COURT	Lenk, J.; Gants, C.J.; Spina, J.; Cordy, J.; Botsford, J.; Duffly, J.; Hines, J.
JURISDICTION	Massachusetts
DECIDED	May 29, 2015
DOCKET	SJC-11801
DISPOSITION	affirmed
PROCEDURAL POSTURE	The Commonwealth appealed from the Land Court’s allowance of the corporation’s motion for summary judgment declaring that the corporation owned specified parcels of recorded land. The Supreme Judicial Court transferred the appeal from the Appeals Court on its own initiative.
STANDARD OF REVIEW	Summary judgment is reviewed de novo. Judgment may be affirmed on any ground supported by the record. Summary judgment is proper when, viewing the record in the light most favorable to the nonmoving party, there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	The Governor, Department of Developmental Services, Division of Capital Asset Management v. Walter E. Fernald Corporation

TOPICS

title disputes real estate summary judgment civil procedure constitutional law

PRACTICE AREAS

real property constitutional law civil procedure governmental immunity corporate law

QUESTIONS PRESENTED

1. Whether sovereign immunity barred the corporation's declaratory action asserting its own ownership of specified parcels of recorded land.
2. Whether the Walter E. Fernald Corporation became a Commonwealth agency during the period when the school it established became a state institution.
3. Whether the deeds and surrounding circumstances established that the corporation, rather than the Commonwealth, owned the Templeton parcels.

HOLDINGS

1. Common-law sovereign immunity does not apply to an action in which a plaintiff asserts its own ownership of specified parcels of recorded land.
2. The Walter E. Fernald Corporation remained an entity independent of the Commonwealth; the fact that its school became a state institution did not convert the corporation into a state agency.
3. The corporation owned all six Templeton parcels, and the Land Court properly entered summary judgment declaring its title free of Commonwealth claims.

KEY QUOTATIONS

“We now hold, however, that our common-law sovereign immunity doctrine does not reach the specific type of suit at issue here, namely, one in which a plaintiff asserts its own ownership of specified parcels of recorded land.” (at 10-11)

“The Commonwealth's potential liability in such cases is, rather, limited to losing control of properties that it does not truly own.” (at 12)

“In the absence of any suggestion that the corporation intended to gift this land to the Commonwealth, we agree with the Land Court judge that the deed's reference to the Commonwealth as grantee can only have been inadvertent.” (at 29)

FACTUAL BACKGROUND

Walter E. Fernald Corporation was created by special act in 1850 as an independent charitable corporation and established a school that later became a Commonwealth agency. Between 1923 and 1969, the corporation purchased six Templeton parcels with its own funds; the parcels were used by the school and were listed in the corporation's records as corporate assets. The Commonwealth later asserted ownership, including by listing five parcels in a 2002 conservation and recreation statute, prompting the corporation to seek a declaration of title.

PROCEDURAL HISTORY

The corporation commenced a declaratory action in the Land Court in 2010. The Land Court rejected the Commonwealth's sovereign-immunity defense, dismissed portions of the complaint, and later allowed the corporation's motion for summary judgment, declaring the corporation's ownership of the parcels free of Commonwealth claims. The Supreme Judicial Court affirmed.

DISPOSITION

affirmed

CASES CITED

- Larcom v. Olin, 160 Mass. 102 (1893)
- Federal Nat'l Mtge. Ass'n v. Hendricks, 463 Mass. 635 (2012)
- District Attorney for N. Dist. v. School Comm. of Wayland, 455 Mass. 561 (2009)
- Augat, Inc. v. Liberty Mut. Ins. Co., 410 Mass. 117 (1991)
- Fuller v. First Fin. Ins. Co., 448 Mass. 1 (2006)
- Randall v. Haddad, 468 Mass. 347 (2014)
- Woodbridge v. Worcester State Hosp., 384 Mass. 38 (1981)
- Woodward Sch. For Girls, Inc. v. Quincy, 469 Mass. 151 (2014)
- Todino v. Wellfleet, 448 Mass. 234 (2007)
- Boxford v. Massachusetts Highway Dep't, 458 Mass. 596 (2010)
- New Hampshire Ins. Guar. Ass'n v. Markem Corp., 424 Mass. 344 (1997)
- J.A. Sullivan Corp. v. Commonwealth, 397 Mass. 789 (1986)
- Morash & Sons, Inc. v. Commonwealth, 363 Mass. 612 (1973)
- Whitney v. Worcester, 373 Mass. 208 (1977)
- Bates v. Director of the Office of Campaign & Political Fin., 436 Mass. 144 (2002)
- Executive Air Serv., Inc. v. Division of Fisheries & Game, 342 Mass. 356 (1961)
- Sullivan v. Chief Justice for Admin. & Mgmt. of the Trial Court, 448 Mass. 15 (2006)
- Fathers & Families, Inc. v. Chief Justice for Admin. & Mgmt. of the Trial Court, 460 Mass. 508 (2011)
- George A. Fuller Co. v. Commonwealth, 303 Mass. 216 (1939)
- Welch v. State, 853 A.2d 214 (Me. 2004)
- Block v. North Dakota ex rel. Bd. of Univ. & Sch. Lands, 461 U.S. 273 (1983)
- Kozdras v. Land/Vest Properties, Inc., 382 Mass. 34 (1980)
- Trustees of Worcester State Hosp. v. Governor, 395 Mass. 377 (1985)
- Spence v. Boston Edison Co., 390 Mass. 604 (1983)
- Benton v. Trustees of City Hosp. of Boston, 140 Mass. 13 (1885)
- Patterson v. Paul, 448 Mass. 658 (2007)
- Sheftel v. Lebel, 44 Mass. App. Ct. 175 (1998)

- Weiler v. PortfolioScope, Inc., 469 Mass. 75 (2014)
- Canton v. Commissioner of Mass. Highway Dep't, 455 Mass. 783 (2010)

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