

Archdiocese Offers Whopping \$132 Million in Sex Abuse Claims Settlement

The Roman Catholic Archdiocese of St. Paul and Minneapolis has offered to pay \$132 million to settle hundreds of child sex abuse claims against its clergy under a revised bankruptcy reorganization plan filed in court on Tuesday.

The archdiocese, one of 15 U.S. Catholic districts and religious orders driven to seek Chapter 11 protection by the church's sex abuse scandal, said its plan would mark the second-largest such bankruptcy settlement of pedophile priest claims in America.

The sum is more than double the \$65 million previously offered by the archdiocese and rejected by plaintiffs.

But lawyers representing the bulk of nearly 450 claims at stake in St. Paul-Minneapolis denounced the latest proposal as still far too small and accused church officials of trying to conceal their ability to pay much more.

The San Diego diocese settled sex abuse claims in 2007 for a total of \$198 million after filing for Chapter 11. The Los Angeles archdiocese, the nation's largest, reached a \$660 million civil settlement the same year, though that was not part of a bankruptcy proceeding.

Those agreements amounted to about \$825,000 and \$780,000 per victim, respectively, according to the watchdog website .

Spread evenly across the Twin Cities claims, each victim there stands to gain less than \$300,000 under the archdiocese's amended plan, plaintiffs attorney Mike Finnegan said.

The bankruptcy there stems from child sexual abuse complaints

lodged against dozens of priests dating from the 1950s to 2011, Finnegan said.

The archdiocese, serving some 800,000 Catholics in 187 parishes and 90 schools, has identified more than 60 priests—none of them still in the clergy—for whom credible evidence of sexual abuse has been unearthed.

The former archbishop and one of his deputies resigned last June over their links to a former priest who pleaded guilty to criminal sexual conduct with minors and pornography and was sentenced to five years in prison.

Finnegan said Tuesday's settlement offer was structured to minimize the church's financial hit.

The archdiocese would contribute \$13 million of its own money, equivalent to just 1 percent of total assets if all parish and school properties were counted, he said.

Finnegan also said the archdiocese and its three largest insurers cut deals without input from the victims, resulting in insurance contributions that let those companies "off the hook."

Archdiocese attorney Charles Rogers countered that the proposal would rank as the largest reported insurance settlement of any U.S. Catholic sex abuse case to date, even though one insurer involved was itself undergoing bankruptcy. Two more insurers had yet to settle with the archdiocese, he said.

Rogers noted that a bankruptcy judge has dismissed the plaintiffs' bid to include the parish, school and foundation assets of the archdiocese in the reorganization, ruling that those entities were incorporated separately.

That decision is under appeal. Finnegan said the reorganization plan, while omitting parish assets from the

settlement, would wipe their liabilities clean, thus sparing them from more than 300 separate sex abuse civil claims pending against the parishes.

The next hearing on the matter, focused on financial disclosure, is set for Dec. 15. {eo}

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