

SOLs, Chapter 11, and Needed Amendments



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Overview

- I. The History of CSA Cases, SOLs, and Chapter 11 Filings
- II. CSA Chapter 11 Settlement Values
- III. Victims' Voices About Chapter 11 Filings
- IV. CHILD USA's Proposal to Amend Chapter 11 for CSA

I. The History of CSA Cases, SOLs, and Chapter 11 Filings

Date	Location	Filer	Civil SOL at Time of Filing
2008	Alaska	Diocese of Fairbanks	No SOL against perpetrator for some CSA crimes Age 20-21 for remaining CSA crimes
2004 2017	Arizona	Diocese of Tucson Crosier Fathers and Brothers	Age 20 Age 20
2007 2014 2023	California	Diocese of San Diego Diocese of Stockton Diocese of Santa Rosa (expected)	Age 26 Age 26 Age 40
2021	Connecticut	Diocese of Norwich	Age 48
2009	Delaware	Diocese of Wilmington	No SOL for CSA
2018	Indiana	USA Gymnastics	Age 20

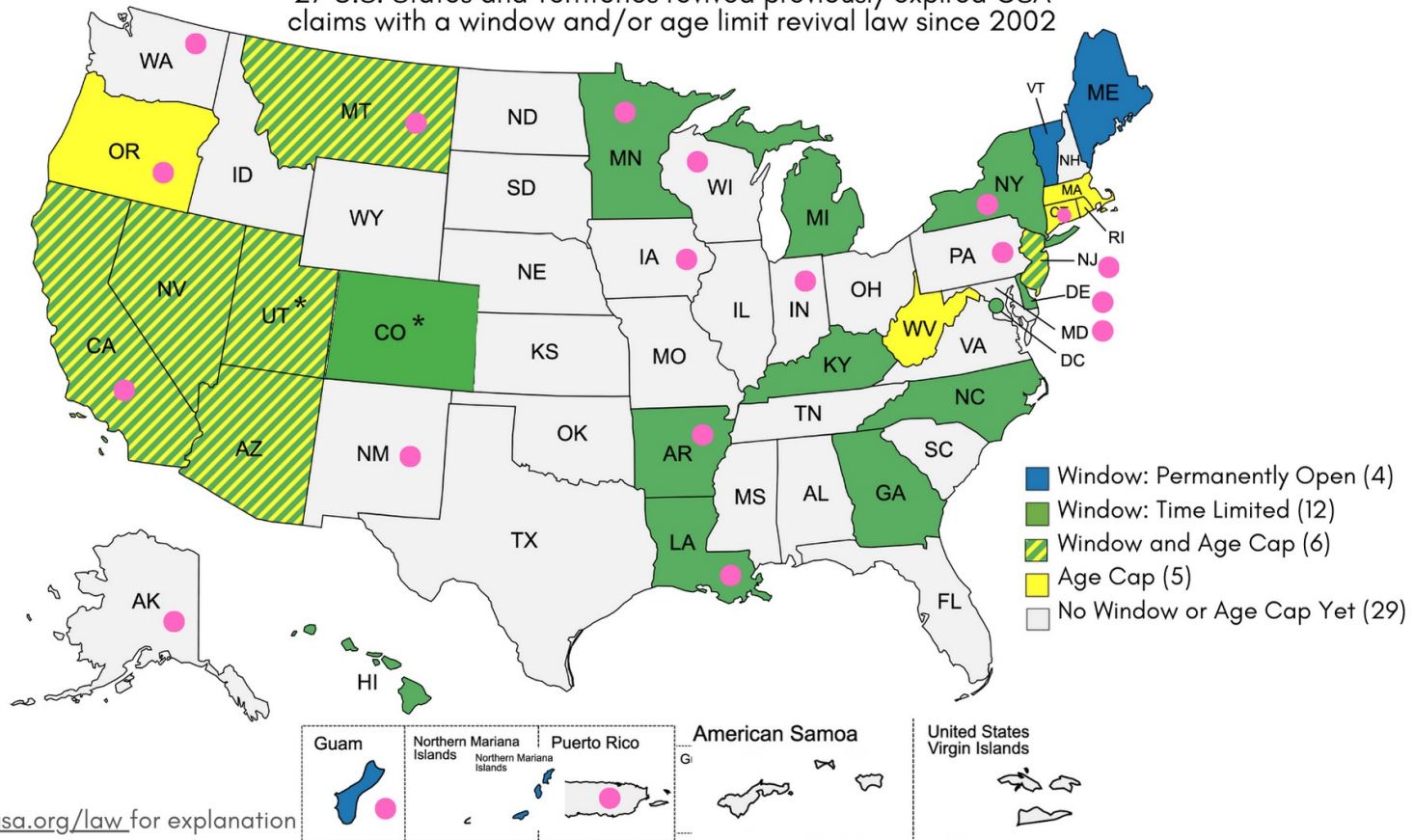
Date	Location	Filer	Civil SOL at Time of Filing
2006	Iowa	Diocese of Davenport	Age 19
2020	Louisiana	Archdiocese of New Orleans	No SOL
2009	Maryland	Diocese of Wilmington	Age 25
2015 2015 2017 2018 2020	Minnesota	Archdiocese of St. Paul and Minneapolis Diocese of Duluth Diocese of New Ulm Crosier Fathers and Brothers Diocese of Winona-Rochester Diocese of St. Cloud	No SOL
2014 2017	Montana	Diocese of Helena Diocese of Great Falls-Billings	Age 24 Age 24

Date	Location	Filer	Civil SOL at Time of Filing
2020	New Jersey	Diocese of Camden, NJ Boy Scouts of America	Age 55
2013 2018	New Mexico	Diocese of Gallup Archdiocese of Santa Fe	Age 24
2011 2019 2020 2021 2022	New York	Congregation of the Christian Brothers Diocese of Rochester Diocese of Buffalo Diocese of Syracuse Diocese of Rockville Centre Diocese of Rockville-Centre Madison Square Boys & Girls Club	Age 23 against perpetrator Age 21 against others Age 55 against all

Date	Location	Filer	Civil SOL at Time of Filing
2004 2009	Oregon	Archdiocese of Portland Oregon Province of the Jesuits	Age 24 Age 24
2011	Pennsylvania	Diocese of Harrisburg	Age 55
2004	Washington	Diocese of Spokane	Age 21
2011	Wisconsin	Archdiocese of Milwaukee	Age 35
2019	Guam	Archdiocese of Agana	No SOL
2018	Puerto Rico	Archdiocese of San Juan	Age 22

Revival Laws for Child Sex Abuse: Windows and Age Caps

27 U.S. States and Territories revived previously expired CSA claims with a window and/or age limit revival law since 2002



*See childusa.org/law for explanation

REVIVAL LAWS IN PLACE IN 2023

REVIVAL WINDOWS

can file previously expired csa claims while the window is open

 **Arkansas**
Open until Jan. 31, 2024

 **Colorado***
Open until Dec. 31, 2024

 **Guam**
Open permanently

 **Louisiana**
Open until June 13, 2024

 **Maine**
Open permanently

 **Nevada**
Open permanently

 **New York City**
Open until March 1, 2025

 **N. Mariana Isl.**
Open permanently

 **Vermont**
Open permanently

REVIVAL AGE LIMITS

can file previously expired csa claims until you reach a set age

 **Arizona**
Age 30

 **California**
Age 40

 **Connecticut**
Age 48

 **Massachusetts**
Age 53

 **Montana**
Age 27

 **Nevada**
Age 38

 **New Jersey**
Age 55

 **Oregon**
Age 40

 **Rhode Island**
Age 53

 **West Virginia**
Age 36

*Not a revival law but new cause of action opens a window

REVIVAL BILLS INTRODUCED IN 2023

This year, 20 States have bills to revive expired CSA claims

Alabama

2-year window + age 55

Kansas

permanent window

New Mexico

permanent window

Rhode Island

permanent window

Arkansas

2-year window

Maryland

permanent window

New York

permanent window

South Carolina

1-year window

California

permanent window

Massachusetts

permanent window

North Dakota

2-year window

Texas

permanent window

Indiana

boy scouts window

Minnesota

police 5-year window

Ohio

boy scouts window

Utah

constitutional window

Iowa

3-year window

Missouri

permanent window

Pennsylvania

2-year window

Washington

permanent window

II. CSA Chapter 11 Settlement Values

11

Organization	Settlement Total	Number of Victims	Settlement Amount Per Victim
Diocese of Fairbanks	\$9,800,000	290	\$33,790
Diocese of New Ulm	\$34,000,000	101	\$336,633
Crosier Fathers and Brothers	\$25,500,000	43	\$593,020
Diocese of San Diego	\$198,100,000	144	\$1,375,690
USA Gymnastics	\$380,000,000	500	\$760,000 *
Boy Scouts of America	\$2,460,000,000	82,000	\$30,000

dismissed

*In a previous settlement with Michigan State University, the average was \$1.4 million
 The Chapter 11 filing by the Diocese of San Diego was dismissed. Settlement average was \$1,375,690.

III. Victims' Voices About Chapter 11 Filings

According to a survey conducted by CHILD USA, the following are the top 3 issues victims faced when institutions declare bankruptcy*

Emotional Hardship

Lack of Accountability

Complicated Legal Process

*Based on a survey of 26 victims of sexual abuse who brought claims against Catholic church dioceses in the United States and were subsequently involved in Chapter 11 bankruptcy proceedings filed by the dioceses.

“The settlement process was a means for the defendants to avoid true accountability and responsibility for their actions and does not force them to change in any real way.”

Quote from a survey of 26 victims of sexual abuse who brought claims against Catholic church dioceses in the United States and were subsequently involved in Chapter 11 bankruptcy proceedings filed by the dioceses as part of the settlement process.

“It is enraging that a tax-exempt institution can use a Federal process to avoid complete accountability while making it more difficult for victims to find justice and healing.”

Quote from a survey of 26 victims of sexual abuse who brought claims against Catholic church dioceses in the United States and were subsequently involved in Chapter 11 bankruptcy proceedings filed by the dioceses as part of the settlement process.

IV. CHILD USA's Proposal to Amend Chapter 11 for Child Sex Abuse Cases

Recommendation 1

Require consent for non-debtor releases in Chapter 11 proceedings involving CSA through the Creditors' Committee(s), and codify standards for courts to grant non-debtor releases

Here's Why:

USA Gymnastics

- Filed for bankruptcy in December 2018 facing lawsuits from approximately 300 victims of Larry Nassar
- Proposed reorganization plans were structured to include a blanket liability release for numerous non-debtor organizations and individuals
- After three years, a reorganization plan was approved consisting of a \$380 million settlement, paid mostly by USAG insurers, and other nonmonetary commitments regarding athlete safety
- The USOPC received the non-debtor release for all victims of Nassar while it contributed less than 10% of the total, approximately \$34 million, to the settlement (as well as a \$6 million loan to USAG)

Recommendation 2

Exempt child sex abuse cases from the automatic stay provisions to expand the scope of discovery in Chapter 11 proceedings

Here's Why:

The Diocese of Harrisburg, Pennsylvania

- The Diocese of Harrisburg filed for Chapter 11 protection in February 2020 following the 2018 Attorney General's grand jury report that found church leaders throughout PA had covered up child sex crimes of more than 300 priests over 70 years resulting in thousands of victims
- The filing froze all current lawsuits against the Diocese with an approximately 200 outstanding claims, just as the diocese was beginning to disclose an estimated 100,000 pages of internal documents related to clergy sexual abuse from 1970-2002 in pending civil litigation process
- Victims were "incredibly frustrated" by the filing as they "wanted full transparency" and would "inevitably be denied the opportunity to confront witnesses that have the answers to the questions that have haunted them for many years"

Recommendation 3

Require an opportunity for public victim impact statements prior to the confirmation of a reorganization plan

Here's Why:

The Archdiocese of Portland, Oregon

- In July 2004, the Archdiocese of filed for bankruptcy amidst pending lawsuits of victims alleging clergy sex abuse
- The full truth was squelched when, on the eve of two civil trials, the Archdiocese declared bankruptcy
- The plaintiff in one case, James Devereaux, said he was “determined to have a public hearing of his case against the church.” On the day of the filing, Devereaux’s attorney indicated that he wanted his day in court over any financial settlement
- After two and a half years pending in court, the Archdiocese emerged from bankruptcy with a \$75 million settlement plan
- No parish or school within the Archdiocese contributed to the settlement, and Devereaux, along with every other survivor, did not get their day in court

Q & A



