

## Helena, Montana Roman Catholic Diocese Settles Abuse Claims

Judge approves \$21 million plan for compensation

By

**TOM CORRIGAN**

March 4, 2015 3:49 p.m. ET

**0 COMMENTS**

A judge on Wednesday approved a \$21 million plan to compensate about 380 people who allege they were sexually abused by the clergy of Montana's Roman Catholic Diocese of Helena.

U.S. Bankruptcy Court Judge Terry Myers had been widely expected to sign off on the plan, which drew no objections and was approved by more than 98% of the alleged victims when put to a vote earlier this year.

The plan will settle about 380 sexual-abuse claims brought against the Helena diocese, 235 of which were filed jointly against both the diocese and the Ursuline Sisters of the Western Province, a religious order of nuns. The settlement also resolves the claims against the Ursuline Sisters.

The judge's signature also clears the way for the diocese to exit Chapter 11 protection later this year.

Bishop of Helena George Leo Thomas, who took the stand during Wednesday's hearing, said he wanted to express his profound sorrow for the abuse the victims endured and applauded victims for coming forward.

"The victim survivors in our Diocese of Helena are believed and deeply respected," he said. "I see this as a time for some new beginnings."

The bishop also said the focus of the church more generally should be on healing and not on long-term litigation. Other diocesan bankruptcies brought on by sexual-abuse claims have stretched for years, racking up legal bills that eat into resources that could otherwise be used to compensate victims.

The Diocese of Helena's plan guarantees a minimum payment of \$2,500 for each claim. But Ford Elsaesser, a lawyer for the diocese, said average compensation will be closer to \$40,000 for claims brought against the Diocese of Helena and \$55,000 to \$60,000 for claims brought against both the diocese and the Ursuline Sisters.

The exact amount of the compensation for each claimant will be determined by an abuse-claims reviewer, a retired judge who will evaluate the severity and long-term effects of the abuse.

Some of the overall compensation package, about \$900,000, will be set aside for others who may come forward with abuse allegations in the future. The plan also includes nonmonetary provisions aimed at

protecting children from abuse in the future, such as requiring the diocese to conduct background checks on seminarians and to contact law enforcement in response to new allegations of abuse.

The plan will be funded with \$14.4 million from the diocese's insurance companies, \$2.6 million from the diocese itself, and as much as \$4.45 million from the Ursuline Sisters.

The diocese's contribution will be funded in part by a \$2.5 million loan as well as the sale of a summer camp and religious retreat owned by the diocese to a closely linked nonprofit corporation for about \$3.6 million.

Any funds the diocese raises that aren't paid out to alleged abuse victims will be put toward administration costs associated with the bankruptcy, the diocese's general operations and a reserve fund for the diocese.

"We're coming out of the process in a reasonably strong financial condition," Mr. Elsaesser told The Wall Street Journal Tuesday.

An outline of the compensation plan was largely put in place during mediation that preceded the diocese's bankruptcy filing in January 2014.

In total, 11 other Catholic dioceses have turned to chapter 11 bankruptcy to address waves of litigation related to alleged sexual abuse by priests and others, the vast majority of which allegedly took place decades ago.

---

This article can be found online at: <http://www.wsj.com/articles/helena-montana-roman-catholic-diocese-settles-abuse-claims-1425502152>