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## **Roman Catholic Diocese of Harrisburg and Tort Claimants Committee reach agreement in Chapter 11 Reorganization**

**HARRISBURG, Pa.** – Today, the Roman Catholic Diocese of Harrisburg (RCDH) and the Tort Claimants Committee are pleased to announce that an agreement has been reached to settle the Diocese’s Chapter 11 reorganization case. This process has been ongoing since February 2020 and today’s news is positive for all parties involved.

“The steps we take today continue our commitment and responsibility to support survivors of clergy abuse, and to make restitution for the suffering they have endured,” said Most Reverend Ronald W. Gainer, Bishop of Harrisburg. “While I have acknowledged many times that no amount of money could ever compensate for the abuse these survivors have experienced, it is my prayer that this settlement will be the next step toward healing.”

The agreement between the Diocese and the Committee will be incorporated into a plan of reorganization and that plan will be voted upon and submitted to the U.S. Bankruptcy Court for approval. Of greatest importance, the plan will seek to establish the most comprehensive and in-depth child protection protocols of any Diocese in the United States.

In addition to the above, the RCDH and related entities will establish a Survivor Compensation Trust and provide funding to the trust in an amount equal to \$7.5 million to provide financial restitution for survivors of clergy sexual abuse. The Survivor Compensation Trust may also be funded through additional settlements with the RCDH’s current and legacy insurance carries. The details of this settlement will be embodied in the joint plan of reorganization referenced above, which will be co-drafted by the RCDH and the Committee and filed with the Bankruptcy Court as soon as possible. Once

established, a Trust administrator, and not the Diocese, will determine compensation amounts and claim eligibility for abuse survivors.

The RCDH filed for reorganization under Chapter 11 of the United States Bankruptcy Code in February 2020. Approximately 54 timely filed proofs of claim from clergy abuse survivors were received during the reorganization process. The move to declare bankruptcy came after years of financial hardship, which was exacerbated by the Grand Jury investigation and subsequent lawsuits, and after every attempt to scale back operations, including reducing overhead, were unsuccessful.

The RCDH has a zero-tolerance policy regarding child abuse and has passed every audit related to the United States Conference of Catholic Bishops' *Charter for the Protection of Children and Young People* since 2002. Recently, the Diocese received the top score in the United States in the independent Voice of the Faithful, *Measuring Abuse Prevention and Safe Environment Programs as Reported Online in Diocesan Policies and Practices* report. Additionally, in 2019 the Diocese's independent Survivor Compensation Program assisted 111 survivors, for a total financial commitment of \$12,784,450.

The Diocese understands that there will be questions on the settlement plan. To help answer those questions, we will be posting updated information to our website, [www.hbgdiocese.org](http://www.hbgdiocese.org), as more information becomes available for release.

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