

December 2024

A Message from the Pastor

Recently, I am sure you have heard in the news that the Diocese of Rockville Centre has come to an agreement to settle the Chapter 11 bankruptcy reorganization it filed in October of 2020. The bankruptcy was the result of the large number of lawsuits filed against the Diocese, parishes and other affiliated Church entities after the passage of the Child Victims Act (CVA) in New York State. This settlement is good news both for the Diocese and every parish. As your pastor, I would like to explain what this means for the Diocese and, more specifically, for us here at Our Lady of Hope.

As we know, early in the year 2002, news stories broke in Massachusetts concerning incidents of child sexual abuse in the Archdiocese of Boston that had taken place over many years. Then, stories of similar scandals in other Dioceses throughout the country began to be reported. It was a terrible shock to Catholics in the United States that something like this could have happened in our beloved Church. It was also terrible to think that priests and others working in and for the Church had committed such terrible sins and crimes against innocent and vulnerable children. The Church, and those who work in her, must always be held to a higher standard than other institutions in society because we were founded by Jesus Christ, and we serve Him through serving His people.

When these many stories of abuse came to light over the following number of years, the Catholic Church in America instituted a series of reforms to try to ensure that sins like that will not happen again. In addition, the Church of the present tried to help those who suffered in the Church of the past. Besides offering psychological counseling and medical assistance, many Dioceses across the country sought to help survivors with monetary compensation.

In February of 2019, the Child Victims Act was signed into law in New York State and took effect that August. The CVA opened a one-year (later expanded to two years) "window", or suspension of the statute of limitations, for bringing legal claims resulting from sexual abuse, regardless of where or when the abuse occurred. In the case of the Diocese of Rockville Centre, this produced a flood of lawsuits concerning incidents going back to 1957, the year we were founded. The Diocese simply did not have the money to litigate, let alone settle, all these cases. Consequently, in October of 2020, the Diocese of Rockville Centre filed a voluntary petition for reorganization under Chapter 11 of the US Bankruptcy Code.

Bankruptcy is not a way to protect or hide assets. The Federal Bankruptcy process demands absolute financial transparency from the debtor (the Diocese), so that all her assets are placed "on the table" for all to see. Bankruptcy, in cases like this, is a way to get all survivors as much compensation as possible while still allowing the Church to exist and continue her mission to serve God's people.

The overall settlement of our Diocesan bankruptcy is \$323 million. This amount has been raised mainly from the Diocese itself, including the sale of Diocesan properties, as well as, investment income and insurance funds. Once the Diocese emerges from bankruptcy, not only will it have compensated survivors and settled all outstanding lawsuits, but it will also have immunity from all future historic lawsuits regarding sexual abuse. This means that never again can there be lawsuits against the Diocese regarding alleged sexual abuse that occurred in the remote past. However, it is important that the 134 parishes of the Diocese also receive that protection of immunity from future historic lawsuits. For a parish to obtain this immunity requires a contribution to the settlement fund from each parish, as well as the parish going through bankruptcy itself.

As of this writing, thirty-eight Catholic Dioceses across the country have filed for Chapter 11 Bankruptcy reorganization since 2004. The Diocese of Rockville Centre was the twenty-sixth to file. However, when the lawsuits began in New York following the passage of the CVA, the law firms representing the plaintiffs did something they had not done before. They required a much larger contribution from the parishes than they had in previous cases. The global settlement of the bankruptcy was contingent upon this demand. Consequently, the Diocese approached the parishes asking for a specific contribution from each. This individual parish figure was arrived at based on a number of factors: the number of lawsuits the parish had outstanding against it; the amount of liquid assets the parish had; the parish's current financial health; and other factors. It is also true that there are many parishes in the Diocese which simply do not have sufficient liquid assets from which to contribute. Therefore, some parishes had to pay more in order that all parishes could receive the protection. There was no possibility of settling with some parishes and not others. For any parishes to receive the protection, all had to be involved, and come up with an aggregate amount the plaintiffs' law firms would agree to. This is one of the reasons that our Diocesan bankruptcy took so long to settle.

As you have seen reported in the media, the parishes' contributions to the settlement fund have ranged from \$82,000 to \$4.5 million. Our Lady of Hope's contribution was \$111,000. I know this is a very large amount. However, the money came from the result of investment income the parish had accrued because of wise fiscal management over the years. No funds from the recent Capital Campaign Fund were used; one-hundred percent of that money went to the recent building projects.

As high as this figure is for Our Lady of Hope, we must remember that it is far less than the money it would cost to litigate cases. Our Lady of Hope's contribution has purchased for us something far more valuable: immunity from all future historic lawsuits. The reason this is so important can be seen from the example of the State of California, where three separate Child Victim's Acts have been passed over the last two decades, resulting in new lawsuits against the Church each time. However, we do not have to look to California to see the vital necessity of gaining this immunity. In September of this year, Spectrum News 1 reported that legislators in Albany want to open another lookback window under the Child Victims Act to allow for more claims from the past to be brought in the future. (Spectrum News 1: "New York Lawmakers Vow to Revisit Child Victims Act Despite Insurer Noncompliance", 9/24/24, by Kate Lisa.) So, every parish must secure immunity from future historic lawsuits to protect us from having to go through this again.

It should be also be remembered that of the \$323 million global settlement figure, the Diocese itself has provided the great bulk of the funds, followed by the insurance companies, followed by the parishes and other Diocesan entities.

I am very grateful to the Trustees and members of the parish Finance Committee of Our Lady of Hope for the dedicated and devoted work they have done for our parish over the years, and for their advice, counsel, and support in these unusual and difficult times.

The two and a half years that I have been blessed to be pastor of Our Lady of Hope have been eventful ones, to say the least! Over the last 2 years Our Lord and Our Lady have been doing extraordinary things here at Our Lady of Hope. Mass attendance is increasing and collections have remained steady. Together we at Our Lady of Hope move forward in joyful confidence, knowing that God is always on our side!