Bishop Kettler discusses diocese's plan to file for reorganization

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Bishop Donald Kettler met Feb. 28 in Albany with pastors and parish representatives from all 131 parishes in the Diocese of St. Cloud to inform them of the diocese's plans to file for Chapter 11 bankruptcy reorganization, although no filing date has been set. He said the decision followed much prayer and discussion over the last 21 months, including ongoing consultation with attorneys for the diocese and for victims/survivors.



Bishop Donald Kettler

The Minnesota Child Victims Act, which lifted for three years the civil statute of limitations for allegations of past sexual abuse of minors, ended in May 2016. During that time, 74 civil claims were made against the diocese. The claims named 31 members of the clergy who served in the diocese and 30 parishes.

The Visitor interviewed Bishop Kettler about his decision and what it means for the diocese. The interview has been edited for length and clarity.

Q: Can you explain a bit more why you met with pastors and parish leaders on Feb. 28?

A: I wanted an opportunity to explain to them — all at the same time — where things are regarding the resolution of the lawsuits against the diocese, why I'm making the decision to move forward in filing for reorganization, and how we envision doing that.

Q: How do you envision doing that?

A: It's still too early to know the particulars of how things might happen. But I want the diocese to resolve most of the issues with the claimants and develop a bankruptcy plan before actually filing. This will keep down legal costs and make the most money available to victims and survivors, which is ultimately what we want. It's also important for the diocese to continue to operate its offices and ministries, which benefit so many people — Catholic and otherwise — in central Minnesota. It's important to remember this process is a "reorganization," not a "liquidation," for the diocese. Our ministries will continue.

Q: Where would the money for a settlement come from?

A: It would come primarily from insurance proceeds and diocesan assets, which include real estate and unrestricted funds.

Q: Would funds from the Bishop's Annual Appeal be used for a settlement?

A: No. This is a restricted fund. Contributions to the Appeal are separately accounted for and distributed to our offices and ministries very soon after we receive them. I'd encourage everyone to continue to give to the Bishop's Annual Appeal — not for my benefit, but for the good work our ministries do for our church and communities.

Q: Would people lose jobs?

A: My goal is not to fund a settlement by cutting staff and ministries. You can't provide ministries without staff, and our ministries are crucial to the church's mission. My hope is that any impact in this area would be minimal.

Q: Might the diocese have to sell buildings as part of a bankruptcy plan?

A: That's a possibility, and then we would have to find another place we could afford for office space and for our diocesan ministries.

Q: Could there be more lawsuits in the future?

A: By filing for bankruptcy, any past claims of abuse against the diocese will be barred.

Q: How would parishes be affected by the diocese filing for reorganization? Would they have to contribute to a settlement?

A: I don't expect reorganization to affect the normal operations of our parishes or Catholic schools in the diocese. It nevertheless makes sense for parishes to obtain their own legal counsel to ensure their interests are protected throughout the process. We encouraged this at our Feb. 28 meeting with pastors and parish leaders. One option they have is to hire a single attorney to represent all of them together in order to hold down costs.

It's possible the reorganization process would allow each parish that voluntarily makes a financial contribution toward an overall settlement — whether it's named in a current clergy abuse lawsuit or not — to be protected from any future liability tied to clergy sexual misconduct that occurred before the bankruptcy was filed. This includes past misconduct that so far may have gone unreported, or that could be reported if the Minnesota Legislature would again lift for a period of time the civil statute of limitations for allegations of past sexual abuse of minors. We'll learn more about this possible option for parishes as the reorganization process moves ahead.

Q: How can we ensure the abuse of minors that led to the lawsuits won't happen again?

A: The diocese continues to comply with the "Charter for the Protection of Children and Young People" that the U.S. bishops adopted in 2002. We have safe environment training for diocesan staff, parish personnel, and volunteers who have regular contact with children. Youth in our Catholic schools and faith formation programs also receive safety training. We continue with these programs and update them as needed. We can't guarantee that abuse of a minor will never happen again, but we are working very hard to prevent it.

Q: When do you anticipate actually filing for bankruptcy?

A: We haven't set a date yet for the filing. We'll keep everyone updated as much as possible as the process moves forward.

Q: What should Catholics in the diocese do in the meantime?

A: I ask everyone to pray for the victims and survivors of abuse. Pray for the diocese. Pray for our many priests who work hard every day to serve God's people. Pray for me and everyone else involved in this process so that we make good decisions.

I hope this [interview] answers some questions people have. There are a lot of questions we don't have the answers to yet. We have to live with some uncertainty and grayness until we have more information. And that's never easy — it's certainly not easy for me. But that's where we're at right now. We'll share more information as best we can when it becomes available.

I was speaking with someone recently about this situation and he compared it to what Jesus' followers faced on Good Friday. They followed Jesus for three years and saw all the good things he did. Then, he was crucified and buried in a tomb. You can imagine the sadness, fear and confusion the disciples must have felt. But we know that Christ rose from the dead. After Lent comes the hope of Easter. Christ is always with us and never abandons us. He is there to offer hope and healing to abuse victims, and he is there to help all of us as members of the Church to do the right thing and continue the important work on earth that Christ commissioned us to do.

I'm so sorry for the abuse that some clergy members committed in the past, and I apologize again to all the victims and survivors. We will continue to work hard to do everything we can to make sure our church is safe for young people now and into the future.