News



Cardinal Robert W. McElroy of San Diego speaks Feb. 16, 2024, at the Los Angeles Religious Education Congress in Anaheim. Cardinal McElroy announced June 13, 2024, that the Diocese of San Diego will file Chapter 11 bankruptcy reorganization June 17. (OSV News/courtesy Archdiocese of LA Digital Team)

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The Diocese of San Diego will file for Chapter 11 bankruptcy reorganization June 17, a decision Cardinal Robert W. McElroy said "offers the best pathway" to both provide "just compensation" for sex abuse victims and allow the diocese to continue its ministries.

The cardinal made the remarks in a June 13 letter to diocesan Catholics in which he announced the bankruptcy filing was imminent.

The announcement comes a year after the diocese confirmed it would seek bankruptcy and began mediation with attorneys for abuse survivors.

"The Diocese faces two compelling moral claims in approaching the settlement process: the need for just compensation for victims of sexual abuse and the need to continue the Church's mission of education, pastoral service and outreach to the poor and marginalized," the cardinal said in the letter. "Bankruptcy offers the best pathway to achieve both."

A June 13 diocesan news release said that only the diocese is filing for bankruptcy. "Parishes, Catholic Charities, parochial schools and Catholic high schools are not and will continue normal operations," it said.

However, the cardinal explained, "It is clear that as part of providing appropriate compensation to past victims of the sexual abuse of minors, both the parishes and high schools will have to contribute substantially to the ultimate settlement in order to bring finality to the liability they face."

In 2019, the California Legislature passed a bill to expand the statute of limitations for filing claims of childhood sexual assault, opening a three-year window (2020-2022) during which injured parties could file civil claims to revive previously time-barred claims. It was the second time the Legislature had lifted the statute of limitations since 2003.

In 2007, the San Diego Diocese settled lawsuits brought by 144 abuse survivors during the 2003 revival of once-barred claims for $198 million, the diocesan news release said. In 2023, the most recent revival resulted in more than 450 claims against the diocese, almost 60% of which are more than 50 years old, the release added.

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McElroy reminded Catholics that the diocese is faced with bankruptcy because of "the moral failure of those who directly abused children and teenagers, and the equally great moral failure of those who reassigned them or were not vigilant, that led to the psychological and spiritual wounds that still crush the hearts and souls of so many men and women in our midst."

"The tremendous strides" the Catholic Church has made in the past 20 years to protect minors in the church and beyond "cannot begin to mitigate the enormous moral responsibility that I, as your bishop, and the entire Catholic community continue to bear," he said.

"May God never let this shame pass from our sight, and may God's tenderness envelop the innocent children and teenagers who were victimized," he added.

On May 28, in an open letter, Bishop Joseph V. Brennan of Fresno said that diocese would file for Chapter 11 "to address the substantial number of claims brought forth by victims collectively" as a result of California opening a three-year window for civil claims to be filed.

The bishop said 154 cases have been filed against the diocese.

"The reopening of the window has made every Diocese in California susceptible to more claims," Brennan said. "What we are facing gives us the opportunity to redouble our efforts in creating a safe environment for everyone in and out of the church and address real issues in atoning for the sin of clergy abuse against children."

Other dioceses in California — including San Francisco and Sacramento — also have recently filed for bankruptcy amid similar circumstances.