News



In this 2014 file photo, U.S. dollar bills are seen at the Bureau of Engraving and Printing in Washington. A bankruptcy judge in Minnesota approved the Diocese of New Ulm's clergy sexual abuse settlement March 10. (CNS/Reuters/Gary Cameron)

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A U.S. bankruptcy judge gave final approval March 10 to a \$34 million settlement agreement between 93 victim-survivors of clergy sexual abuse and the Diocese of New Ulm, Minnesota, as well as parishes within the diocese.

Claimants voted unanimously to approve the settlement.

Judge Robert Kressel's final approval clears the way for the 93 clergy abuse survivors to begin receiving compensation under the settlement. It also marks the end of a three-year bankruptcy process for the diocese. The diocese also has committed to 17 child protection protocols.

In a statement, Bishop John M. LeVoir of New Ulm apologized for the harm abuse survivors endured and said he knows the settlement can't make amends for all that was taken from them.

The bishop said the Catholic Church is a safer place for children and young people today thanks to abuse survivors' bravery, perseverance and advocacy for changes to protect the vulnerable, and hold abusers and church leaders accountable.

"Please join me in praying for the healing of survivors as well as doing what we can to assist them in the healing process," LeVoir said.

The diocese filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code in early March 2017.

In a statement at the time, LeVoir said he asked diocesan attorneys to take the action in response to the enactment of the 2013 Minnesota Child Victims Act, which temporarily lifted the civil statute of limitations on child sexual abuse claims for three years. That three-year window ended May 25, 2016.

Under the window, 101 lawsuits were filed against the New Ulm Diocese and some of its parishes.

Taking the legal step for reorganization was "the fairest way to resolve sexual abuse claims while allowing the church to continue its essential work of serving people in our local communities," LeVoir said at the time.

A June 26 diocesan news release on the agreement said the funds for the settlement "are made up of insurance coverage settlements and cash and property contributions from the diocese and parishes, including parishes that do not have claims against them."

"When claimants approve the settlement plan, it will result in a 'channeling injunction,' which will prevent claims against the diocese and parishes based on events that occurred before confirmation of the plan," it said.

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