



Roman Catholic Diocese of Albany
Office of the Bishop

March 15, 2023

My Dear Brothers and Sisters in Christ,

As many of you may know by now, the Roman Catholic Diocese of Albany has made the difficult yet necessary decision to file for reorganization under Chapter 11 of the United States Bankruptcy Code. Parishes and Catholic schools of the Diocese are separately incorporated under New York State's Religious Corporations Law and are not part of the filing.

It is very important for me to point out that the mission and ministries of the Diocese and parishes will continue during the reorganization proceedings.

We maintain global mediation would have provided the most equitable distribution of the Diocese's limited financial resources but as more Child Victims Act (CVA) cases reached large settlements, those limited funds have been depleted. The Chapter 11 filing is the best way, at this point, to ensure that all Victim/Survivors with pending CVA litigation will receive some compensation. The decision to file was not arrived at easily, but we, as a Church, can get through this and grow stronger together.

To date, the Diocese has been named in more than 400 CVA lawsuits which were filed between Aug. 15, 2019, and Aug. 14, 2021. With the assistance of the Court and demonstrating its ongoing good faith commitment to Victim/Survivor claims, the Diocese has separately settled more than 50 CVA cases.

As a result of the Chapter 11 filing, the collection of debts and legal actions against the Diocese will stop, allowing the Diocese to develop a reorganization plan that will determine the available assets, along with the participation of its insurance carriers, that can be used to negotiate reasonable settlements with Victim/Survivors in addition to other creditors.

This filing also puts on hold the lawsuits involving the St. Clare's pensioners. That was not our purpose for filing. While many questions remain regarding the St. Clare's pension fund, the plight of the pensioners is of great concern to me. The St. Clare's pensioners are certainly close to my heart and, as I would do with anyone in a difficult situation, I offer my pastoral care.

I understand this filing causes uncertainty, but as a Church and a community of faith, we must recognize that Victim/Survivors are our sons and daughters, and our brothers and sisters, and all of us, without exception, must work together to find ways to help them. It's a natural thing for us to do, especially for those who have been hurt by an institution we are all called to be a part of. We must reach out to all and journey with them through the healing process.

I know many of you have questions. We want to provide answers. To that extent, a special section has been developed on the Diocesan website: www.rcda.org/reorganization. It includes reorganization details, a “What You Need to Know” section that answers frequently asked questions, Protecting Children and Safe Environment resources, information on how to report sexual abuse, and contact information for the Diocese’s Victim Assistance Coordinator, Noelle Marie. This site will be updated as new information becomes available.

I apologize to the Victim/Survivors and their families for the inexcusable harm that was done to them by those in positions of trust. The Diocese is committed to enhancing and strengthening its Hope and Healing programs for Victim/Survivors. That includes facilitating mental health services, opportunities for spiritual healing, and continued training and screening of Church personnel through the Diocese’s Safe Environment Program for protecting children, including continued enhancement of child protection safety protocols to ensure that they continue to meet the highest standards. You can learn more about the Diocese’s Hope and Healing effort at <https://www.rcda.org/hopeandhealing>.

This continues to be an extremely challenging time for our Church, but Christ Himself has shown us how difficult situations can lead to new life, that struggles can make us stronger, make us better. As a Church, we must help the healing process, doing what we can for Victim/Survivors. They are part of our community in Christ and as a Church we are called to share His love, to be His heart in the world today.

As we journey through Lent, please continue to pray for all involved that God’s peace and healing can prevail.

Lovingly in the heart of Jesus,

+Edward B. Schaeferberger

Bishop Ed

