

CHURCH TO SETTLE WITH 45 ACCUSERS; The L.A. Archdiocese will pay \$60 million, Mahony announces. DEAL `ON THE VERGE'; Hundreds more lawsuits remain to be resolved.

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Cardinal Roger M. Mahony said Friday that the Los Angeles Archdiocese had agreed to pay \$60 million to 45 people who said they were abused by Roman Catholic priests -- a payout that would be among the highest per person since the clergy sex abuse scandal exploded four years ago.

But within hours, plaintiffs' attorneys said Mahony had "jumped the gun" in announcing a settlement. Raymond P. Boucher, lead counsel for the plaintiffs, confirmed that they were "on the verge of settling" but said "there are still some issues to be ironed out."

"If we are able to put the finishing touches on this deal, then it will be a historic day," he said. "Forty-five victims have been waiting a year to get these cases resolved, and finally it looks like we are on the verge of doing so."

The payments cover just a fraction of the 570 claims filed against the nation's largest archdiocese, setting the stage for payouts in the hundreds of millions of dollars to resolve the cases still pending. The cases settled Friday resolve only allegations of abuse in years the archdiocese was either not insured or was underinsured -- cases that took place prior to 1954 or after 1986.

Mahony, who personally called reporters Friday morning to report the settlement, later expressed surprise at the reaction of plaintiffs' lawyers.

He said he made the announcement after the two sides reached a "handshake deal" in the case in front of a judge earlier this week. Plaintiffs' attorneys might still have details to work out among themselves, he said, but the issues separating the church and the litigants have been resolved.

He said the archdiocese had notified Boucher that it planned to announce the settlement early Friday morning.

Mahony said the planned payout would not adversely affect parish functions or ministries.

"We set aside last year \$40 million for this settlement. While it is painful, no parishes are affected," he said. The remaining

\$20 million would come from limited insurance payouts, as well as \$8 million from five religious orders that had members involved in the cases, said attorney J. Michael Hennigan, who negotiated on behalf of the archdiocese.

Mahony said the settlement was "very important to us."

"This is a major effort at healing and reconciliation," he said.

But some advocates for victims of clergy abuse remained skeptical.

"No amount of money can possibly restore the shattered childhoods, the broken trust and the devastated emotional lives of these courageous but wounded men and women," said Barbara Dorris, outreach director of SNAP, the Survivors Network of Those Abused by Priests. "It's crucial that this settlement be seen as what it is: a purely business decision by Mahony, and nothing more. We must remember that he fought disclosure and settlement at every juncture."

SNAP leaders also questioned Mahony's decision to announce the settlement before documents were signed.

The negotiated settlement does not include any admission of liability on the part of the church, said Boucher. But he added: "You don't pay \$60 million unless you admit there is responsibility."

It was unclear how much new light would be shed on a scandal that has reached throughout the archdiocese. Three of four parishes in the 4.3-million member archdiocese -- which covers Los Angeles, Ventura and Santa Barbara counties -- have been served by a priest who at some time in his career was accused of sexual abuse. Mahony has fought in court to keep church personnel records from prosecutors and plaintiffs' attorneys -- a major point of contention in efforts to reach resolution of all cases still facing the church.

In the settlement Mahony announced Friday, the parties agreed to ask retired California Supreme Court Justice Edward Panelli to decide which, if any, documents would be released.

The settlement covers all of the cases involving molestations that occurred since Mahony was named head of the diocese in 1985. The cases include claims related to defrocked priest Michael Baker, whom Mahony allowed to remain in ministry even after Baker told the cardinal in 1986 that he had molested children. Baker was later charged with continuing to molest two brothers for more than a decade after his initial confession.

Other settled cases involve three priests also considered among the worst offenders: Richard Allen Henry, Carlos Rene Rodriguez and Michael Edwin Wempe, all of whom have been convicted on criminal charges. Additional cases involving those priests remain pending.

Some of the cases the archdiocese agreed to settle involve priests who were cleared of wrongdoing. Those priests, Edward Dober, Richard Martini and Samuel Orellana, continue in parish work. Attempts to reach the three men Friday were unsuccessful. Donald Steier, an attorney representing 11 accused priests in the settlement, said he was “pleased that these cases are moving forward toward resolution.”

“Our only disappointment is that the parties agreed to a global settlement,” he said, “which did not take into account the circumstances of each individual case.”

The settlement of at least some cases facing the church became imminent after Judge Haley J. Fromholz, frustrated by the lack of progress in negotiations, ordered lawyers to begin preparing 44 cases for trial. The first such case was set for trial in January but has since been postponed. None of the cases green-lighted for trial were among those said to be close to resolution Friday.

Mahony remains the focus of anger for many victims.

Eric Barragan, 31, was molested by Rodriguez, a priest who befriended Barragan’s parents in the 1980s after meeting them at a retreat. In 2004, Rodriguez was convicted of molesting Barragan and one of his brothers and sentenced to eight years in prison. Barragan said that the settlement would provide some relief but that he believed the church, and Mahony in particular, had yet to accept responsibility for what took place.

When he met with Mahony last month, Barragan said, he felt the cardinal was “avoiding questions, avoiding truth and taking no responsibility whatsoever.... I asked him directly if he knew about Rodriguez’s past. He didn’t answer the question.” Barragan said his family “felt even more betrayed after we left there.”

Mahony said he has offered to meet with all victims, although some have refused the offer.

“Not everyone is at a point of forgiveness on their part. But everyone needs an apology from me,” Mahony said.

Some parishioners expressed skepticism that the settlement -- let alone future payouts on the unresolved claims -- could be

paid without cutting into parish services. They noted that the archdiocese cut programs three years ago because of a funding squeeze, shortly after it completed construction of its estimated \$200-million Cathedral of Our Lady of the Angels in downtown Los Angeles.

The effect on services is “incalculable,” said Jeff Dietrich, a founding member of the Los Angeles Catholic Worker, an independent organization that runs a skid row soup kitchen and frequently criticizes the archdiocese’s spending priorities.

“You could build how many Union Rescue Missions?” Dietrich said, referring to the \$60 million. “How much lower-cost housing? ... And there is always a shortage of Catholic schools.”

Seven major insurance companies have been negotiating with the archdiocese for four years regarding payment on the remaining 525 abuse lawsuits. The companies say they don’t have to pay to cover crimes, while the archdiocese maintains that insurers should finance nearly 100% of the remaining settlements.

“At this point, we have no idea what type of [financial] participation the archdiocese will be bringing to the table in this,” Mahony said of the unresolved cases. “We are really anticipating the cooperation of all of our insurance carriers. We have adequate liability coverage in all of those cases.”

However, Mahony said the church would consider selling “assets that do not impact ministries and services” if necessary.

Last year, a similar standoff between the Diocese of Orange and its insurers ended when the parties agreed to each pay roughly half of a \$100-million settlement paid to 90 people who said they were abused by priests or parish personnel when they were children. The diocese was able to meet its obligations without drastic rollbacks in services, although it had made some cuts in anticipation of the payout.

By contrast, the Boston Archdiocese, which paid out \$85 million in 2003 to settle allegations of abuse by priests, shut down 80 parishes. Cardinal Sean Patrick O’Malley, who heads the archdiocese, has disputed accusations that the massive payout forced him to close churches.

The Los Angeles lawsuits were filed the same year as the Boston payouts under legislation that lifted the California statute of limitations for one year. The law was inspired by detailed disclosures that Cardinal Bernard Law and others in the Boston Archdiocese allowed priests accused of molestation to continue to have access to children. Among disclosures that led to Law’s

ouster: He had called a priest he knew to be a North American Man-Boy Love Assn. supporter a cleric “in good standing.”

Mahony has waged a long-running and bruising court fight to keep church personnel documents out of the hands of victims and their lawyers, as well as prosecutors. The U.S. Supreme Court ordered the church to surrender files to a Los Angeles County grand jury earlier this year. Church objections to disclosure in the civil lawsuits were also unsuccessful, although individual priests have filed objections to disclosure of their files in the last two months.

Mahony has named more than 200 accused priests in a massive report to parishioners, which included apologies for mishandling certain cases. Those summaries showed Mahony had allowed 16 priests to remain in ministry after reports of their inappropriate conduct with children, and at least four of them, including Baker, who faces criminal charges, are accused of going on to molest other children.

Church critics allege that the release of personnel documents will further implicate Mahony in purported efforts to protect from prosecution some of the archdiocese’s most notorious pedophiles. The cardinal has denied that assertion and insisted that releasing the files would violate the privacy rights of priests and open the archdiocese to legal liability.

Both church officials and attorneys representing those suing said Friday that much of their focus would now turn toward the more than 500 cases from the time period when the church had insurance coverage.

“The task will be for the insurance companies to step forward,” Mahony said Friday. “I feel much more energized for the other 500 cases now. We anticipate there will be further pain down the road for us.”

Boucher said the settlement of the 45 cases puts pressure on all parties to reach agreements in the remaining cases.

“We are pushing the remaining cases toward trial and hoping the parties can resolve them through settlement,” he said.

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