Spokane Diocese agrees to mediation over pending abuse cases

SPOKANE, Wash. - The Diocese of Spokane said in an Oct. 18 statement that it has agreed to mediation "to deal with pending issues that are currently on appeal or may result in future matters of litigation."

U.S. District Court Judge Michael Hogan in Oregon, an experienced bankruptcy judge, has been appointed mediator.

The diocese said it believed mediation may be the best way to resolve problems related to the "handling of future claims," but it offered no further details and referred all media queries to Hogan. A call by Catholic News Service to the judge's office was not returned.

The Spokesman-Review, Spokane's daily newspaper, said the announcement related to "newly filed claims alleging sex abuse by clergy decades ago."

The Spokane Diocese first filed for bankruptcy in 2004 while facing extensive sexual abuse claims.

In 2007, the Spokane Diocese announced the settlement of 176 claims of childhood abuse by priests or other church personnel, paying \$48 million in compensation claims ranging from \$15,000 to \$1.5 million. In 2009, the diocese reopened the bankruptcy case after new claims of abuse surfaced, many related to the Morning Star Boys' Ranch and dating back decades, according to media reports. The residential facility was opened in the diocese in 1956.

The Spokesman-Review said about two dozen new victims have come forward and that "paying them has drained a special fund that must now be replenished and sparked a variety of legal disputes."

On Oct. 4, a federal judge in Washington state overturned a finding of contempt against the diocese related to the bankruptcy case. The contempt order involved an e-mail sent by an attorney representing the diocese to the bankruptcy trustee over

how she was deciding claims.