

## July 9, 2007 - Archdiocese seeks a settlement as 500 sex abuse cases head for trial

By Joe Mozingo, LA Times

The payout could go as high as half a billion dollars, the largest in the country. 'The day of reckoning is near,' says a lawyer for plaintiffs.

After more than four years of negotiation, pressure is mounting fast to settle some 500 claims that the Los Angeles Archdiocese failed to protect children from clergy abuse, before the first trial begins this month.

"We know it's soon. We know it's inevitable. The day of reckoning is drawing near," said Jeffrey Anderson, a Minnesota lawyer who represents hundreds of alleged victims of clergy abuse in California and elsewhere.

The potential payout is staggering, at more than half a billion dollars by far the largest of any diocese in the country resulting from the Roman Catholic Church abuse scandal.

Already, the archdiocese, insurers and several Catholic orders have agreed to pay more than \$114 million to settle 86 claims.

If the remaining cases go to trial, jury awards could be much larger, particularly when claimants seek punitive damages.

A jury in New York, for instance, ordered the Diocese of Rockville Centre in May to pay \$5.9 million to one victim and \$5.5 million to another. If an agreement can be reached before trial in Los Angeles, victims are expected to garner an average of slightly more than \$1 million each, based on the cases that have been settled so far.

Going to trial would also force top officials, including Cardinal Roger M. Mahony, to testify publicly about what they knew about the abuse and what, if anything, they did to stop it.

Mahony is expected to be called to the stand in the first trial, involving two decades of alleged abuse by the late Father Clinton Hagenbach, who died in 1987, two years after Mahony became archbishop in Los Angeles. Thirteen more trials are scheduled to begin by January.

"It's still my goal to reach an agreement before the first trials begin, but many, many pieces have to come together before that can happen," said J. Michael Hennigan, who represents Mahony and the Los Angeles Archdiocese.

Hennigan declined to give details or comment further about the case because it "might have an impact on the ongoing discussions."

Mahony has waged a protracted court battle to keep church personnel documents from victims, their lawyers, prosecutors and the public. But the courts ruled in a Los Angeles case that grand juries investigating crimes and civil lawyers preparing for trial were entitled to the information.

Attorneys for the accusers say any settlement agreement would include a stipulation that the church release the files publicly. However, individual clergy could contest the disclosures on privacy grounds.

Settlement negotiations have been complex, with more than 60 attorneys seeking differing sums for more than 570 claims of abuse occurring over 70 years by 221 accused perpetrators.

The church has blamed its insurers for failing to pay the major share of the settlements. The insurers, in turn, have questioned whether Mahony willfully withheld information about the abuse from them and say they don't have to pay if the church officials' actions were criminal.

"This could be a Katrina moment for the insurers," said Pamela D. Hayes, an attorney who served on the National Lay Review Board, established by the U.S. Conference of Catholic Bishops to study the abuse scandal. "They're fighting to the very end."

In Orange County, insurers and the Diocese of Orange ended a similar standoff in 2005 when they agreed to split a \$100-million settlement for 90 victims roughly 50-50.

But in San Diego earlier this year, Bishop Robert H. Brom announced that his diocese would file for bankruptcy rather than go to trial, putting the cases there on hold while a judge examines diocesan finances.

A Times analysis published in December 2006 showed that the Los Angeles Archdiocese has vast wealth, owning at least 1,600 properties with an estimated value of \$4 billion.

Victims groups blame the Los Angeles church for continuing to stonewall.

"The fact that this trial [Hagenbach] would be the first ever priest-pedophile abuse trial in Los Angeles is very telling," said Mary Grant, Western regional director of Survivors Network of Those Abused by Priests, or SNAP.

"I think if there is a way to delay this trial, we believe Cardinal Mahony will use whatever tactics he can to keep the crimes hidden to keep him from having to testify in open court about what he and church officials knew and what they failed to do to protect kids from predators," Grant said.

Tod Tamberg, Mahony's spokesman, said, "The vast majority of these cases predate Mahony, and many of them have nothing in their files."

In the case of Hagenbach, he noted that Mahony moved from the Stockton Diocese to Los Angeles in 1985, less than two years before the priest died. "There were 2,000 priests back then," Tamberg said. "He didn't know any of these guys. And the first complaint about Hagenbach came in 2002."

Tamberg said that the archdiocese has been working to settle the cases but that their sheer number and the complexity of the litigation in Los Angeles are far greater than in any other diocese in the nation.

He noted that it is not yet clear even what the exact number of claims against the church is.

"Complex negotiations do take time, yes, especially when you're a Catholic church with limited resources," he said.

Mahony wants to minimize any loss of services to parishioners, Tamberg added. "Our parishes and schools are not there to produce revenue for us. They're there to educate children and provide spiritual welfare for the Catholic people."

Many observers expect a settlement before or during the Hagenbach trial, either a so-called global settlement for all the cases or the first of a string of settlements. Los Angeles County Superior Court Judge Haley Fromholz last week pushed the trial back a week, saying there were not enough potential jurors after the Fourth of July holiday. But the delay prompted some observers to speculate that the parties were on the verge of a settlement and needed a few more days.

Jury selection is set to begin July 17.

Anderson, the plaintiffs' lawyer, said he doubted Mahony would want to wait for opening arguments.

"That's an opportunity for us to lay out a long, sordid scenario," said Anderson. "Their exposure is extraordinary."