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## Archdiocese of Santa Fe, abuse victims clash on sealing of insurance records

By Rick Ruggles rruggles@sfnewmexican.com Feb 7, 2022

The opposing sides in the Archdiocese of Santa Fe bankruptcy case are battling over whether certain insurance records should be sealed from public view.

Insurance coverage for the archdiocese is a key issue in the effort by victims and the church to reach an agreement in the case that involves more than 400 victims of clergy sexual abuse, most of them children.

The Chapter 11 bankruptcy case has dragged on for more than three years, and insurance coverage is expected to pay a big chunk of the undisclosed amount of money needed to settle.

A Santa Fe attorney who represents several victims objected to confidentiality and sealing of records, contending in an interview Monday secrecy is what led to the tragedy of widespread priest abuse of children in the first place.

"That's the problem with the church. Everything is secret," said attorney Merit Bennett. "We're here because of secrets that have been kept for years and years."

Bennett said the request to seal documents amounts to "going backward in time. It needs to all be transparent." He said priests got away with molesting children for decades in part because they held community members' secrets from the confessional and people were afraid to challenge them.

"They were untouchable," Bennett said of the priests who abused children.

Besides insurance coverage, the archdiocese has sought donations, sold some properties and held an online auction of small properties that ended Monday.

It was the second such auction. The first brought in about \$1.4 million, likely a small fraction of the amount needed for a settlement.

Thomas Walker, an Albuquerque attorney for the archdiocese, filed the request to seal insurance documents last month. Walker, who didn't return a phone call Monday, wrote in the court filing that agreements between the archdiocese and insurers indicated there would be confidentiality.

The information should be "kept confidential to the greatest extent permitted by law," Walker wrote in his filing. He claimed breaching the confidentiality provisions of those agreements could cause them to be "null and void, and invite further expensive and protracted litigation of coverage disputes."

U.S. Bankruptcy Judge David T. Thuma has called for a hearing on the matter Feb. 14 at the U.S. District Courthouse in Albuquerque.

Attorneys for the victims said the archdiocese reached such agreements with some insurers in the 1990s because they could see the wave of abuse lawsuits coming.

Albuquerque attorney Levi Monagle, whose firm represents 140 victims, wrote in an email "there had already been a significant number of lawsuits filed against the Archdiocese by the mid-90s, so both the Archdiocese and its carriers certainly knew lawsuits were coming and would continue to come."

Monagle said in an interview the archdiocese and its attorneys aren't requesting confidentiality "just for the sake of confidentiality."

Victims committee attorney James Stang of Los Angeles said insurance companies are claiming the documents are confidential and unveiling them would impair the archdiocese's rights.

Stang filed an objection last week to the archdiocese's request the insurance documents be sealed. Stang wrote in the filing that "the need for transparency is overwhelming and creditors should not be kept in the dark" about what's going on.

In that filing, Stang quoted a case from the Southern District of New York in which it was found that limiting "the public's right to access remains an extraordinary measure that is warranted only under rare circumstances." Another case cited by Stang said, "Public access is a foundational attribute" of the federal courts.

Archdiocese Vicar General Glenn Jones said in a recent online communication to church members, "The bankruptcy proceedings slog on. ... There are more twists and turns in the process than in a bowl of spaghetti."

Close to 30 dioceses and Catholic orders have filed for Chapter 11 bankruptcy during the abuse scandal, and most were settled in less than three years. The amounts of money agreed to vary widely. In Los Angeles, 508 victims settled for \$660 million in 2007, according to bishop-accountability.org, and in Gallup, close to 60 settled for more than \$21 million.

Stang declined to discuss whether an agreement is near.

"We're trying hard," he said. "We're going back to mediation on the 14th of March."

Bennett said it would be improper to grant the archdiocese its wish to seal some of the insurance records. "Where's that good, old transparency that we need, especially with these guys?" Bennett asked Monday. "The alarm bells should go off."

"Nothing should be under seal with the archdiocese ever again," he added. " ... They don't get any more secrets."

## Rick Ruggles

Reporter