Bishop Gainer Announces that Roman Catholic Diocese of Harrisburg has Filed for Chapter 11 Bankruptcy

_Diocese to Lay A Foundation to Build Upon_

_He is like a man building a house, who dug deeply and laid the foundation on rock; when the flood came, the rivers burst against that house and could not shake it, because it had been well built._ – _Luke 6:48_

_HARRISBURG, Pa._ – Bishop Ronald W. Gainer today announced that the Roman Catholic Diocese of Harrisburg has filed for reorganization under Chapter 11 of the United States Bankruptcy Code.

“Today, I am announcing that the Roman Catholic Diocese of Harrisburg has made the difficult decision to file for bankruptcy under Chapter 11 of the United States Bankruptcy Code. Known as Reorganization Bankruptcy, this plan will allow us to continue the work of the Diocese and equitably compensate our creditors,” Gainer said. “Our Diocese is forced to confront some difficult financial realities. Despite making every attempt to scale back operations and reduce overhead, we are currently unable to meet our financial obligations. This decision was made after countless hours of prayer and careful deliberation with our financial experts, attorneys, and our Diocesan Finance Council and College of Consultants.

“As Bishop, I must ensure the Diocese's core mission is upheld and maintained as we remain focused on Christ’s mandate to preach, teach, sanctify, and to serve those in need. We must work to bring the Chapter 11 process to a conclusion as soon as is reasonably possible, in a way that allows us to be present to the community, as we have been for the past 152 years. This decision will allow the Diocese to lay a
The Roman Catholic Diocese of Harrisburg was facing a challenging financial condition for a number of years prior to receiving the Grand Jury subpoena in 2016. That investigation forced the Diocese to incur heavy costs related to the investigation. Those costs were not something the Diocese was able to budget for and it limited the options available to correct the preexisting financial trend. The Diocese’s current financial situation, coupled with changes in the law both in the Commonwealth and in New Jersey, left the Diocese with no other path forward.

Despite the success of the Survivor Compensation Program, which helped 111 survivors of clergy child sexual abuse (96% of those who participated in the Program), the Diocese is already in receipt of half a dozen new lawsuits, any one of which could severely cripple the Diocese.

Supporting survivors of clergy-child sexual abuse is, and will continue to be, a priority of the Diocese. The Diocese remains committed to helping survivors heal and to creating a safe environment for all, especially our children.

As part of the Grand Jury process, the Roman Catholic Diocese of Harrisburg provided hundreds of thousands of documents related to clergy-child sexual abuse to the Pennsylvania Attorney General’s office. We have made public on our website a list of all clergy-child sexual abuse accusations made against priests, deacons and seminarians.

The Diocese understands that many will have additional questions. To help answer those questions, we have created a special page about our plan to lay a Foundation to Build Upon on the Diocesan website, www.hbgdiocese.org. The page has several resources, including Frequently Asked Questions and court documents, and it will be updated throughout this process.

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