

Diocese attorneys phone alleged victims

Some claimants worry about low offers, intimidation

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Spokane Catholic Diocese attorneys have been calling people who claim they were victims of clergy sexual abuse and asking what they want: cash, counseling, an apology, or something else.

The effort has upset some victims and attorneys, who say some of the questions asked are inappropriate and intimidating. Perhaps more importantly, they worry that the diocese is pushing lowball settlement offers – some in the range of \$5,000 to \$10,000 – at a time when Bishop William Skylstad has offered other victims an average of more than a half-million dollars each.

Diocese attorneys say they are obligated to make the calls in order to weigh the veracity of claims and better understand how much they might owe. The calls are being made to a group of claimants who were not included in a \$45.7 million settlement offer the diocese reached with 75 victims – an offer that was rejected three weeks ago by U.S. Bankruptcy Court Judge Patricia Williams, who said all claimants must be treated equitably.

Most of those excluded from the settlement do not have legal representation, but the roughly 25 who do have been encouraged by their attorneys to sit down and negotiate with the diocese.

Attorney Tim Kosnoff, a frequent diocese critic who's representing the vast majority of the 75 victims included in the settlement plus some of the second group of victims, said he's encouraged by the diocese's willingness to settle with victims.

"From what I can see, the diocese is now trying to do the right thing," he said. "The sooner the universe of claims is known and liquidated, the sooner the bankruptcy will be over."

However, another attorney in the bankruptcy case, Joe Shickich, is warning his clients to be on their guard when dealing with the diocese.

"We're telling people they don't have to talk to the diocese," said Shickich. "We hope that the outcome of this case is a plan of reorganization that treats everyone fairly. That's not going to happen if the diocese is talking to just this person or that person."

Steve Denny, who has a claim filed against the diocese and is not represented by a lawyer, said he was offended by the diocese phone calls and probing questions.

"I was dumbfounded that someone would call and be so insensitive that (they) would bring up specific things with my situation," said Denny, who serves on a special bankruptcy committee represented by Shickich.

He complained to Shickich, who followed up with a letter to victims regarding the phone calls. Shickich referred to the diocese as an adversary of victims in the case and encouraged them to speak with caution and seek legal advice.

Diocese attorney Greg Arpin rejected the notion anyone has been pressured and insisted the calls are handled with compassion.

Arpin declined to say if any victims signed settlement offers and defended the diocese's right to call.

"If a person has filed a claim, they want something," Arpin said. "We're trying to find out what that is."

"If they want to settle for \$5,000 or peppercorn, that's their right. We're not forcing anything down their throats."

New developments

- Diocese attorneys are calling people who have filed sexual-abuse claims to weigh the veracity of those claims, they say. Victims' attorneys say they're worried the diocese is making settlement offers that are significantly less than those contained in a previous agreement, since rejected by a bankruptcy court judge.

- Lawyers in the case are exchanging harsh words, accusing each other of acting without regard for the other constituencies.

- Some of the first sex-abuse victims to come forward say they want the bankruptcy resolved soon.

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Some victims appreciate the calls, said diocese attorney Shaun Cross. If someone asks about hiring an attorney, Cross and Arpin said the questioning stops.

The diocese has the right to pursue individual settlements because the bankruptcy judge only needs to approve the total amount spent to settle claims, not the specifics of each.

The phone calls punctuate the free-for-all the diocese's bankruptcy case has become in the weeks since Williams' rejection of the offer.

One irony: The two camps that have fought so bitterly in the last few years – the Diocese of Spokane and the abuse victims who filed lawsuits – are now on the same side.

After reaching the multimillion-dollar settlement earlier this year, this new alliance now faces a challenge from two groups that were once considered allies: the parishes, led by priests who have pledged vows of obedience to their bishop; and victims of clergy sexual abuse who never filed lawsuits in the first place.

Some of the victims and their lawyers argue the settlement is not dead, but merely shelved until it can be squeezed into a plan of reorganization later this year. The parishes and attorneys representing victims left out of that agreement are racing ahead; they've filed a separate bankruptcy plan that would require equal treatment of claimants rather than a collection of differing settlements.

Kosnoff sent a scathing e-mail this week to Gayle Bush, an opponent of the settlement who helped draft the alternative plan.

"Your 'plan' was never intended to pencil out for the victims but was rather to save the parishes from liquidation," Kosnoff wrote to Bush on Tuesday. "We don't care anymore if parishes get liquidated because it is complete fantasy to believe the Church would ever let that happen and even if it did happen, why would you care?"

Kosnoff said the alternative plan was an empty threat.

Reached on Friday evening about the e-mail, Kosnoff said it was written in anger after a private, hostile meeting with Bush, who represents people who might come forward in the future with sex-abuse claims against the diocese. That group could include children who are now being sexually abused or people suffering repressed memories.

Kosnoff called Bush a bit player in the bankruptcy and said he shouldn't even have a role in the case. He thinks the diocese should self-insure to deal with post bankruptcy claims rather than set aside funds now.

Bush called Kosnoff's tenor unfortunate and misplaced.

Ford Elsaesser, who worked with Bush to scuttle the \$45.7 million settlement offer last month, called Kosnoff's disregard for the parishes troubling.

"We've been of the understanding that as a group, the victims didn't want the parishes liquidated," Elsaesser said. "We're concerned about this view of the victims that, if you read his letter, would favor liquidation."

Elsaesser added that parishioners should also be concerned that the bishop would enter into an agreement with a group that advocated such action.

Though victims are now working with Bishop Skylstad to preserve the original settlement, they aren't happy with his reluctance to reign in the parishes, Kosnoff said.

"Why hasn't the bishop acted like a bishop?" the attorney said. "He needs to crack the whip."

In another twist to the case, diocese attorney Cross will join parish association attorney Elsaesser to argue on appeal that parish churches, schools and other property are not owned by the diocese. Arguing against the appeal will be attorney James Stang, the attorney representing victims – including Kosnoff's clients – in the bankruptcy. It was Stang and Cross who negotiated the \$45.7 million settlement that is now disallowed.

They will argue the case in front of Senior U.S. District Court Judge Justin Quackenbush in downtown Spokane.

Some of the victims who first came forward say they just want a resolution to the whole thing.

Three years ago, Mike Ross of Spokane stood in front of the chancery and publicly spoke for the first time of the abuse he suffered as a child. He demanded answers from the diocese and an apology from the bishop.

Unsatisfied with their response, Ross became one of the diocese's harshest critics.

"They put us through the meat-grinder," said Ross, recalling the depositions and his rancorous relationship with the diocese.

Now, he claims healing has finally begun.

"Yes, we were abused – not only by priests but a system that allowed it to happen," said Ross, who is among the 75 that reached a settlement agreement in January. "They're taking responsibility now, and that's what creates the healing."

Ross said nearly every victim he's talked to wants this bankruptcy resolved as soon as possible.

"We're ready to move forward and do other things with our lives," he said.

Despite the bishop's recent efforts to settle with some victims, many still don't trust the diocese, said Molly Harding, a leader in the local Survivors Network of those Abused by Priests. "Every victim deserves to have justice, and I encourage them to come forward," she said.

The reality, however, is that many victims are worn out and fearful that the diocese will mistreat them. "Given the fact that we don't know where all the money was going to come from, the whole thing is confusing and painful to victims," Harding said.