



**Foundation to Abolish Child Sex Abuse**  
Protecting Children | Restoring Hope

## **FACT SHEET:**

# **On the Financial Impact of HB 1947**

The Pennsylvania Catholic Conference and the Archdiocese of Philadelphia claim that HB 1947 would have “devastating” financial consequences on parishes, churches, schools and social service providers. Let’s consider the facts.

**Claim:** “Bankruptcy and severe debt was the only option for most dioceses in states with Statute of Limitations windows.”

**Fact:** No diocese in America has ever filed for involuntary bankruptcy or been forced into bankruptcy due to victims’ lawsuits. Several have *voluntarily* entered bankruptcy as a way to stop litigation and as a negotiating tactic.

**Claim:** “In other states, retroactive changes to the law resulted in dioceses closing schools.”

**Fact:** The vast majority of Catholic school closings across the country have occurred in response to an overall decline in church membership and attendance.

**Claim:** The legislation could “cripple” ministries serving Pennsylvania’s Catholics.

**Fact:** Most Catholic-affiliated charities receive the vast majority of their funding from the government. According to Catholic Social Services’ 2015 annual report, the government pays 81 percent of the cost of their services. This funding would not be affected by any settlements.

**Claim:** “The money needed to settle lawsuits would come from the people in our pews.”

**Fact:** Insurance coverage would pay a significant part of any settlements. Dioceses in Pennsylvania have the option of selling valuable, unused real estate to protect the pocketbooks of their parishioners.

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