



**UNITED STATES BANKRUPTCY COURT**  
SOUTHERN DISTRICT OF CALIFORNIA  
325 West "F" Street, San Diego, California 92101-6991

In re:

THE ROMAN CATHOLIC BISHOP OF SAN DIEGO,  
Debtor.

BANKRUPTCY NO. 24-02202-CL11  
Date of Hearing: February 11, 2026  
Time of Hearing: 10:30 a.m.  
Name of Judge: Christopher B. Latham

**ORDER ON MOTION TO ABSTAIN FROM OR STAY CLAIM OBJECTIONS**

IT IS HEREBY ORDERED as set forth on the continuation page(s) attached, numbered two (2) through three (3).

DATED: March 4, 2026

  
\_\_\_\_\_  
Judge, United States Bankruptcy Court

The court has considered its own docket (ECF Nos. 1 – 1560)<sup>1</sup> and the oral argument at the February 11, 2026 hearing on the matter. For the reasons set forth below, it will **grant in part** and **deny in part** the motion.

### Background

Debtor and Catholic Mutual Relief Society of America and the Catholic Relief Insurance Company (“CMG”) filed over 150 claim objections. The court tolled the opposition period to those objections filed by November 24, 2025 (ECF No. 1362). The Unsecured Creditors Committee (“UCC”) now asks it to permissively abstain from hearing those or stay the claim objections, citing to *In re Tucson Estates, Inc.*, 912 F.2d 1162 (9th Cir. 1990). Numerous claimants issued joinders in support of that. Debtor and CMG opposed.

### Legal Analysis and Conclusions

This court need not apply abstention or *In re Tucson Estates, Inc.*; the abstention doctrine does not neatly apply to the situation at hand. The typical case (although other variations exist) is where a state court suit is pending and the plaintiff then files an adversary proceeding based on that underlying suit. The claim objection process, however, is a core proceeding arising under title 11 and by virtue of the Bankruptcy Code alone. 11 U.S.C. § 157(b)(2)(B). That said, a bankruptcy court is restricted from liquidating personal injury tort claims for distribution purposes. *Id.*

Movants primarily argue that § 157(b)(2)(B)’s limits mandates abstention from the claims process altogether. The court credits these arguments – and understands its jurisdictional bounds – but disagrees with the contention that it should abstain from all objections involving personal injury torts. “Simply because the underlying basis of the claim at issue sounds in personal injury tort... does not deprive the bankruptcy courts of jurisdiction to make an initial determination on issues that are only tangentially related to the actual physical event causing the personal injury tort...” *In re CHATEAUGAY Corp.*, 111 B.R. 67, 76 (Bankr. S.D.N.Y. 1990).

Several cases recognize bankruptcy courts’ authority to rule on threshold matters of personal injury claims in the context of § 502’s procedures, including its time-barred status and evidentiary form. *In re CHATEAUGAY Corp.*, 111 B.R. at 75 (holding a court may determine if a personal injury claim is barred due to timeliness, res judicata, payment, release, discharge, or another basis for negating the existence of a claim); *In re U.S. Lines, Inc.*, 262 B.R. 223, 233 (S.D.N.Y. 2001) (disallowing asbestos tort claims due to timeliness and statute of limitations); *In re Roman Cath. Diocese of Rockville Ctr.*, 650 B.R. 765, 782 (Bankr. S.D.N.Y. 2023) (disallowing claims where claimants failed to state a claim against the debtor or an institution within its geographical territory).

Further, there is utility in proceeding with the claims process. Doing so will help clarify the number of allowed claims and associated insurance coverage, enable progress toward a global resolution, and bring survivor-creditors closer to receiving compensation.

---

<sup>1</sup> CMG moved for leave to amend its motion regarding claim objections as to abusers who were accused for the first time (ECF No. 1514). Two firms opposed or, alternatively, sought permission for a surreply (ECF Nos. 1518 & 1520). The court grants the requests for amendment and surreply, thus crediting all the arguments contained in ECF Nos. 1514, 1518 & 1520.

There are several claim objection categories that the court can and should rule on, as listed below. The UCC conceded during oral argument that some objections “are a little more procedural or bankruptcy related” (ECF No. 1554). By way of example, these objections go to the sufficiency of evidence, timeliness, procedure, and other issues only tangentially related to the injury itself. They do not reach factual disputes on the personal injury; only a state or district court may do that. And this court issued an order on how claims must be asserted; surely it should reach objections governed by its own order (ECF No. 292). There are, however, some objections it cannot reach, as stated below. To do so would brush up against § 157(b)(2)(B)’s limitations. Given its duty to faithfully apply the Bankruptcy Code and the core nature of the claims process, it will proceed with certain claim objections.

### Conclusion

Accordingly, the court **rules** the following objections will be heard:

- Category 1: Paid through Boy Scouts of America Bankruptcy
- Category 2: Perpetrator Not Identified
- Category 4: Proof of Claim filed after Claims Bar Date Without Leave
- Category 5: Claim Dismissed with Prejudice
- Category 6: Lack of Facts
- Category 7: Missing Survivor Supplement, Questionnaire, or Certificate of Merit
- Category 8: Pre-Petition Settlement of Claim
- Category 9: Diocese Not Named in Suit
- Category 11: Post-Petition Settlement of Claim

And the remaining claim objections will be held in **abeyance**<sup>2</sup>, namely:

- Category 3: Statute of Limitations<sup>3</sup>
- Category 10: Abuse by Perpetrator Accused for the First Time

A further scheduling order will issue, resetting the opposition deadlines for specific claim objections that will be heard. As the § 502 process unfolds, the court may modify the list of claims and related objections held in abeyance.

IT IS SO ORDERED.

---

<sup>2</sup> The movants seek abstention, but the court is technically not abstaining from these objections. Abstention is where a tribunal could hear a matter and chooses not to. This court cannot abstain from deciding an issue that it lacks jurisdiction to rule on in the first place.

<sup>3</sup> Although other courts have disallowed claims under the statute of limitations, California’s governing statute seems purposely to require factual determinations. To rule on those issues appears outside this court’s jurisdiction. *See* § 157(b)(2)(B).



aty Christopher Celentino Ballard Spahr LLP 655 W. Broadway Suite 1600 San Diego, CA 92101

TOTAL: 20