

Entered: October 30th, 2025

Signed: October 30th, 2025

SO ORDERED

Michelle M. Harner
 MICHELLE M. HARNER
 U.S. BANKRUPTCY JUDGE

**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF MARYLAND
 at Baltimore**

In re:

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Roman Catholic Archbishop of Baltimore,

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Case No. 23-16969-MMH

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Chapter 11

Debtor.

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INTERIM ORDER ADDRESSING MOTION TO DISMISS CASE

The matter before the Court is the Motion to Dismiss Case (the “Motion”), filed by the Official Committee of Unsecured Creditors (the “Committee”) in this case. ECF 1320. The Roman Catholic Archbishop of Baltimore, the above-captioned debtor and debtor in possession (the “Debtor”), filed an objection to the Motion. ECF 1399. The Court held a hearing on the Motion and all related papers on October 6, 2025 (the “Hearing”). Counsel to the Debtor and to the Committee appeared at the Hearing, as did counsel for the Ad Hoc Committee of Parishes, Schools, and Affiliates (the “Ad Hoc Committee”).¹

By the Motion, the Committee asks this Court to dismiss the Debtor’s chapter 11 case, contingent on the outcome of the parties’ pending motion and cross-motion for summary judgment in a related adversary proceeding. That proceeding focuses on whether the Debtor can invoke the doctrine of charitable immunity as a defense to all child sexual abuse claims. The Committee

¹ The Ad Hoc Committee filed an objection to the Motion, largely aligned with the Debtor’s position on the matter. ECF 1400.

suggests that if the Debtor is successful on its cross-motion for summary judgment (invoking charitable immunity), there is no meaningful or permissible purpose to this chapter 11 case. The Debtor argues that regardless of the outcome of the adversary proceeding, it may still reorganize under chapter 11 of the Bankruptcy Code.

The Court generally agrees with parts of each party's position. Specifically, based on the parties' arguments, the Court could envision a resolution of the adversary proceeding that may make this case dependent on, or perhaps better suited for, actions in the state court. ECF 1320. For example, if the Debtor is eligible to invoke charitable immunity as a state law defense, the state court may be the more appropriate forum to resolve those matters. The Debtor could then, in each state court action, assert that it has no liability on the claim because of charitable immunity.

The Court also agrees, however, with the Debtor that any such dismissal determination is premature at this stage. ECF 1399, at 4–5. Until the Court has a full factual record and can rule on the disputed issue of charitable immunity in the adversary proceeding, it is hard to evaluate grounds for dismissal under section 1112 of the Bankruptcy Code.

To that point, if the Debtor is not eligible to invoke charitable immunity in this chapter 11 case and must address its potential liability on each child sexual abuse claim through the bankruptcy mediation or claims administration process, the Committee's alleged grounds (and perhaps its request)² for dismissal fall away.

Given the integral nature of the pending adversary proceeding to the resolution of the Motion,³ the Court finds compelling circumstances to defer a final resolution of the Motion until

² The Committee states, "For the avoidance of doubt, the Committee withdraws this motion if the Court issues a judgment in favor of the Committee on any of its claims in Adversary Proceeding, No. 25-00084 and that judgment becomes a final non-appealable order." ECF 1320, at 8.

³ See, e.g., Hearing Tr., ECF 1426 at 32 (Committee counsel commented, "But the world that this motion [to dismiss] arises in is one where the Debtor has prevailed in the adversary proceeding.").

January 15, 2026.⁴ That should allow the Court an opportunity to conduct the trial in the adversary proceeding and issue its ruling, which will inform the Court’s resolution of the Motion.

Accordingly, it is, by the United States Bankruptcy Court for the District of Maryland,

ORDERED, that the Court will continue to hold the Motion under advisement through and including January 15, 2026, subject to further Order of the Court or consent of the parties.

END OF ORDER

⁴ Section 1112(b) of the Bankruptcy Code provides, in pertinent part, that “[t]he court shall commence the hearing on a motion under this subsection not later than 30 days after filing of the motion, and shall decide the motion not later than 15 days after commencement of such hearing, unless the movant expressly consents to a continuance for a specific period of time *or compelling circumstances prevent the court from meeting the time limits established by this paragraph.*” 11 U.S.C. § 1112(b)(3) (emphasis added). “Compelling circumstances include things such as a busy court docket, complex legal issues, extensive evidentiary issues, reduced staffing, courthouse closures, a serious illness, a pandemic, and other similar types of compelling situations as determined by the bankruptcy court.” *In re Los Trece Texas, LLC*, No. 24-10768-SMR, 2025 WL 2793109, at *6 n.84 (Bankr. W.D. Tex. Sept. 30, 2025) (citing *In re Turkey Leg Hut & Co. LLC*, 665 B.R. 129, 137 (Bankr. S.D. Tex. 2024)).