

Summary of Trinity-BSA Chartering Issue

On July 20, 2021, Michigan Conference Bishop David Bard and Michigan Conference Chancellor Andrew Vorbrich wrote a letter addressed to all Michigan United Methodists regarding the relationship between the Boy Scouts of America and local United Methodist Churches that have sponsored or “chartered” Boy Scout Units, such as Trinity’s Scout Troop 215. The letter is only three pages in length and is well-worth reading in its entirety. However, its message as relates to the issue at hand can be summarized by quoting a couple of key passages.

“The Boy Scouts of America is overwhelmed with potential liability exposure from sexual assault allegations nationwide. The BSA has filed for bankruptcy protection. Under both proposed plans that the BSA has suggested as a way to continue after the bankruptcy, they are leaving their Chartered Organizations out on a limb by themselves. The Chartered Organizations are the local churches, schools, and civic groups that sponsor or host a Scout Troop, Pack, Crew, or other unit. The details of these plans are still being played out, but the BSA is placing all our United Methodist Churches who have ever been involved in scouting in a very difficult position.”

“Despite their consistent past assurances that they held enough insurance to cover their chartered organizations in case of injured scouts, we now know that the BSA did not have enough or sufficient insurance. The local churches are at risk of having to pay significant sums to victims to compensate them for the damages they suffered at the hands of some scout leaders. In addition, the local churches will have to pay for the cost of their own attorneys to defend those claims. All of this is because the BSA did not fulfill their promise to have enough insurance to protect the local churches.”

The July 20 letter concludes with a couple of recommended options for local churches that charter Boy Scout Troops. That recommendation has since been updated with a letter dated December 21, 2021, addressed to Congregational and Clergy Leaders of the Michigan Conference, which concludes by asking congregations to extend their current agreements with Scout troops and packs through March 31, 2022.

Bishop Bard’s December 21 letter also announces that The United Methodist Church has reached a settlement in the BSA bankruptcy case under which it would seek to raise and contribute \$30 million to a Settlement Trust, and offer certain other forms of support, to provide compensation to survivors of sexual abuse involving Boy Scout activities, in exchange for protection from lawsuits and liability for sexual abuse that occurred prior

to the Petition Date of February 18, 2020. Achieving the goals of this settlement is, however, contingent upon obtaining confirmation of the BSA's proposed plan of reorganization from the bankruptcy court. The bankruptcy court is currently scheduled to conduct a confirmation hearing on February 22, 2022.

Regardless of whatever happens in the BSA bankruptcy case, however, the decision remaining for Trinity now is whether to renew or extend our chartering agreement with Troop 215 going forward. The claims and events involved in the BSA bankruptcy are essentially a story about what happened in the past. The issue before us now is about the future.

Both the July 20 letter and the December 21 letter from Bishop Bard underscore the critically important role of insurance coverage in protecting our church from liability for sexual misconduct and abuse. We know that at least two of the abuse claims filed in the BSA bankruptcy case arise from incidents during the 1970s that potentially involve Trinity. We cannot now obtain insurance coverage for events that occurred back then. And the BSA's proposed plan of reorganization, even if confirmed by the bankruptcy court, cannot protect Trinity against claims that arise in the future. But we can obtain insurance coverage for occurrences in the future.

Trinity currently carries a special endorsement on its liability insurance policy that covers claims for sexual misconduct and abuse up to a limit of \$300,000 for the current policy period (through March 31, 2022).

Further, under the current Trinity Building Use Policy, we reserve the right to require organizations that wish to use our building to furnish proof of insurance and to provide for Trinity to be covered as an additional named insured under that organization's own liability insurance policy. The Trinity Board of Trustees, at the direction of PGB, has requested Troop 215 to provide copies of its liability insurance policies. We have been told that the Boy Scouts National Council has determined that it will not comply with our request.

We will continue to keep you updated on decisions made regarding Trinity's BSA status, and welcome your comments/questions.

Todd Dickinson,
Trustee Chair
Todd.R.Dickinson@outlook.com