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The headquarters of the U.S. Conference of Catholic Bishops is seen in Washington in this 2017 photo. (OSV News/Tyler Orsburn, CNS file)



by Brian Fraga

Staff Reporter

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The U.S. Catholic bishops' lawsuit that challenges the Trump administration's abrupt halt of refugee resettlement funding has been referred to mediation, according to court records.

A settlement conference has been scheduled for Feb. 27 at U.S. District Court in Washington, D.C. Representatives for both sides have been ordered to present settlement proposals and ideas for how the case can be resolved.

The U.S. Conference of Catholic Bishops [says](#) that the federal government has not reimbursed the conference approximately \$13 million for resettlement expenses that it incurred prior to Jan. 24.

"Additional unpaid expenses continue to accrue by millions of dollars a week," the bishops' attorneys wrote in a Feb. 19 memorandum filed in support of their motion for a temporary restraining order.

On Feb. 20, a judge referred the case to a mediator after denying the bishops' petition for a temporary restraining order against the Trump administration's decision to halt resettlement funding as part of its overall freeze on foreign assistance expenditures.

The meeting with the mediator does not guarantee that the parties will reach a resolution that will settle all the legal issues in the case. Even as the judge arranged a settlement conference, arguments were scheduled for Feb. 28 over the bishops' request for a preliminary injunction in the case.

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The conference's Migration and Refugee Services office has already laid off 50 staff members — more than half of its resettlement staff — and will likely need to lay off additional employees if the funding suspension remains in effect, according to the bishops' lawsuit, which was filed Feb. 18.

"The remaining staff are being strained to provide necessary services to refugees that the government has assigned to USCCB," the Feb. 19 memorandum states.

At the time of the funding suspension, the bishops' conference said it had almost 7,000 refugees already assigned to it by the federal government. The conference and subrecipients — mostly local Catholic Charities agencies — that provide initial settlement services to the refugees during their first 90 days in the United States may soon be unable to do so.

"If that happens, refugees may lose access to shelter, food, urgent medical care, English-language learning, job-training, and other services during their first days in the country," the memorandum states.

On Jan. 24, the bishops' conference received a letter from the U.S. State Department's Bureau of Population, Refugees and Migration notifying it that its refugee resettlement contracts were "immediately suspended" pending a review of foreign assistance programs.

The U.S. Conference of Catholic Bishops runs the largest nongovernmental refugee resettlement program in the United States, serving around 17% of refugees resettled in the United States. Since 1980, the conference has provided initial resettlement services to more than 930,000 refugees, according to court documents.

This story appears in the **Trump's Second Term** feature series. [View the full series.](#)