

# Los Angeles Times

## L.A. County D.A. claims four in five cases in \$4-billion sex abuse payout may be fraudulent



L.A. County Dist. Atty. Nathan Hochman is asking a judge to pause most payments in the \$4-billion sex abuse payout. (Gary Coronado / Los Angeles Times)

By Rebecca Ellis  
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- Dist. Atty. Nathan Hochman is asking a judge to pause payouts for six-months as he investigates “significant” allegations of fraud
- The request has outraged victims, who say their claims have already withstood rigorous vetting

Los Angeles County’s district attorney says he believes 4 in 5 claims in the largest sex abuse settlement in U.S. history may be fake — a claim that dwarfs previous assumptions over the scale of fraud within the \$4-billion payout.

Dist. Atty. Nathan Hochman has asked the judge overseeing the bulk of the sex abuse cases to pause payments for six months while he continues his sprawling criminal investigation into the plaintiffs, lawyers and therapists behind the claims.

Distributing the money now, he argues, will hamper his investigation “by complicating witness cooperation [and] obscuring financial trails.”

The county agreed in April 2025 to pay \$4 billion to settle more than 11,000 claims of sexual abuse arising from county-run juvenile halls, foster homes and a notorious children’s shelter. The claims, many of which dated back decades, came after California changed the statute of limitations to give victims who were sexually abused as children a new window to sue.

Seven months after the payout was announced, the D.A.'s office opened an inquiry, spurred by claims that some plaintiffs made up stories of abuse and were never in county custody. Times investigations found nine people who said they were paid small amounts of cash by recruiters to sue the county for sex abuse in juvenile halls. Four of them said they fabricated the claims.

Hochman's pause, if granted, would apply only to the abuse cases stemming from juvenile halls, which make up the bulk of the lawsuits, and not the cases arising from foster care or the children's shelter. Lawyers in the case are expected to go before Superior Court Judge Lawrence Riff on Monday for a hearing on the request.

The D.A.'s request Wednesday for another six-month delay unleashed an immediate backlash among victims, who had expected to receive their payments earlier this year and have grown weary of repeated delays. Some have taken out high-interest loans against their settlement, which are eating up a greater percentage of their payout with each passing year.

The abuse they suffered at the hands of county employees, they worry, has now taken a backseat to a series of fraud allegations.

"They're beyond frustrated," said attorney Patrick McNicholas, whose firm represents roughly 1,000 clients. "Once again, they're getting victimized."

He noted the payments are spread out over five years, which he argues would give prosecutors ample time to do their investigation without worrying billions will be given to fraudsters.

The claim that more than 80% of the more than 11,000 claims of abuse could be fraudulent has drawn skepticism among some victims and attorneys, who say the number far surpasses what anyone had expected. Hochman did not explain in his court filing how he arrived at that figure.

"I would love to know where they're getting these numbers from," said Karlina Howard, who sued the county over abuse she experienced as a child at MacLaren Hall, a children's shelter now infamous for predatory staff.

Howard said that since the fraud allegations surfaced in the fall, many victims have been pressed by the county's lawyers to buttress their claims of abuse. But they say the lack of records in the decades-old cases combined with the fact they were children at the time of the abuse has made it an impossible task, putting real victims at risk of being labeled fraudsters.

"Who was I supposed to tell? This is staff, and then they tell you, 'If you tell anybody, you'll never see your family again,'" she said. "We're scared, we're children, and we're in a facility that looks like a jail."

Since the revelations that some plaintiffs were paid to sue, the county has ramped up the vetting process for claims, appointing a former presiding judge of the county's Superior Court to vet cases by Downtown LA Law Group, one of the main firms involved in the cases. The law firm represented all nine of the clients The Times spoke with who said they were paid to sue the county.

Downtown LA Law Group, or DTLA, has vehemently denied paying any of its clients to sue. The firm is also under investigation by the State Bar, which is pushing to comb through its roughly 2,700 plaintiffs in the sex abuse settlement.

But Hochman indicated in his court filing that he did not believe any of the myriad inquiries underway compared with what his office could accomplish.

"The prior and ongoing vetting by other agencies and entities has been insufficient to determine whether the claims are fraudulent," he stated.