

CALIFORNIA

# In the biggest sex abuse settlement in U.S. history, some claim they were paid to sue



The Downtown L.A. Law Group represents nearly a quarter of the roughly 11,000 plaintiffs in a sex abuse lawsuit against Los Angeles County. (Carlin Stiehl / Los Angeles Times)



**By Rebecca Ellis**

Staff Writer | [X Follow](#)

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- A Times investigation found plaintiffs in a sex abuse settlement who claim they received cash to sue L.A. County.
- The lawsuits led to a record \$4-billion settlement for the victims.
- Downtown L.A. Law Group, which represents some plaintiffs who said they were paid to sue, said the firm ‘categorically does not engage in, nor has it ever condoned, the exchange of money for client retention.’

Every day, some of L.A.’s poorest residents line up outside the county benefits office in South Central, weaving their way through a swarm of salesmen hawking deals that feel too good to be true.

Would you like \$15 for a quick blood pressure exam? A free phone? Perhaps \$2 for a COVID swab?

How about cash to sign up to sue L.A. County for sexual abuse at juvenile halls?

Over the last year, a Times investigation found a practice of paying for plaintiffs among a nebulous network of vendors, who usher people desperate for cash toward a law firm that could profit significantly from their business.

The Times spent two weeks outside the county social services office in South Los Angeles, where a constant flow of people applied for food stamps and cash aid, and spoke with seven people who said they were paid there within the last year to sue the

county for sex abuse.

Most said they were abused inside the county's juvenile halls, but had not planned to sue until they were flagged down on the sidewalk and offered cash. Two people said they were told to fabricate stories of abuse.

All the claims involving alleged payments were filed by Downtown L.A. Law Group, a pivotal player in the county's recent \$4-billion [settlement](#) for sex abuse inside its juvenile halls and foster homes — the largest such payout in U.S. history. Of the roughly 11,000 plaintiffs in the settlement, The Times found that nearly one-fourth were represented by the firm.

Marlon Bland, 31, said he got \$200 — half in cash outside the county's social services office and the other half when he went to meet with lawyers from Downtown L.A. Law Group, or DTLA. The receptionist there handed him a \$100 check, he said. DTLA sued the county on his behalf on Aug. 23, 2024.

Kevin Richardson, 59, whose suit was filed by DTLA on Oct. 15, said he got \$50 outside the social services office.

Quantavia Smith, 38, whose suit was filed by DTLA on April 29, said a vendor drove her to the office of a downtown law firm and then gave her \$200.

The Times could not reach the vendors for this article, and DTLA attorneys declined to be interviewed. The law firm strongly denied paying people to sue and said no representative of the firm had been authorized to make payments.

“We do not pay our clients to file lawsuits, and we strongly oppose such actions,” the law firm said. “If we ever became aware that anyone associated with us, in any capacity, did such a thing — we would end our relationship with them immediately.

We want justice for real victims.”

California [law](#) bans a practice known as capping, in which non-attorneys directly solicit or procure clients to sign up for lawsuits with a law firm.

DTLA did not answer questions about how the people who said they were paid to sue ended up with the law firm.

The firm’s statement said all their cases go through an intense review process “that tests for truthfulness and has many checks and balances.”

“As a result of this stringent quality control, we have rejected clients whose cases did not meet our criteria,” the firm said. “We are confident that the claims we have filed are valid and will withstand judicial scrutiny.”

For the last year, a mystery has vexed veteran sex abuse attorneys: How did a law firm best known for representing victims of auto accidents attract so many sex abuse plaintiffs in less than two years?

According to a Times analysis of court records, DTLA has amassed more than 2,700 people to sue L.A. County, more than nearly any other law firm involved in the settlement. The firm will get nearly half the payout for each client, per retainer agreements viewed by The Times.

Two legal experts warned, speaking generally, that offering people cash to sue, particularly those who are financially on the brink, could invite fraud into the historic sex abuse settlement.

“Of course, it makes the chance of fraudulent claims more likely,” said Richard Zitrin, a legal [ethics professor](#) at UC Law San Francisco.

Some plaintiffs say they were explicitly told to make up claims.

“They tell you what to say,” said Carlshawn Stovall, 43, who said he was given about \$20 by a vendor outside the benefits office to sue. “You’re supposed to make it up.”

Stovall said he gave the vendor his cellphone number and was told a lawyer would call him soon and ask him a few questions: What facility were you in? What year? How were you abused?

The vendor handed him a postcard-sized “script” of how to respond, he said. He didn’t need to worry about getting fact-checked, the vendor told him, as the county had no records of who was in its facilities decades ago. It seemed “a good way to get some quick money,” he said.

By the time the call came, he said, he had lost the script, so he ad-libbed that probation officers watched him masturbate in the shower. The call, he said, lasted less than 10 minutes and he never heard from them again.

On Nov. 7, DTLA filed a lawsuit on his behalf alleging he was “sexually harassed and abused” by staff in Central Juvenile Hall. Stovall said he was never in juvenile hall — much less abused there.

“I was a good kid,” he said, laughing.

Juan Fajardo said he used to sell phones next to the lawsuit vendors. He said he would watch a man pull up outside the social services office in a Tesla most Fridays and hand the recruiters cash, which they would dole out the following week to potential plaintiffs. The recruiters told him they were paid per person they signed up, he said.

“Just make up a story, say you got touched, here’s \$50,” Fajardo recalled the recruiters who set up shop next to him saying. “They’ll give it to you and then say, ‘Hey you never know, you might even get a lawsuit.’”

One recruiter also sold phones, he recounted. When someone wanted to get a phone, he said, he would watch the recruiter first take a call on the new phone and make up a story of abuse under the customer’s name. The recruiter would then hand the customer their new phone and pocket the \$50 for himself, Fajardo said.

After a few months of watching, Fajardo said, he decided to make up a story, too. He didn’t want to give his real name, so he gave the recruiter the name of a family member and a fake birth date. He said he took \$50 and later got a call from a law firm. Ten minutes after the call, he said, he was told his case had been accepted.

DTLA filed the lawsuit under the family’s member name on Aug. 28, 2024. Fajardo said he doesn’t feel right trying to collect the money.

“I said something like, ‘They videotaped us while we’re in the showers, touching us while they pat us down,’” he recounted. “That’s what everyone was saying. I was like, ‘I’ll just use that instead of trying to make up a whole different lie.’”

Most plaintiffs The Times spoke with only knew the first names of the vendors, whom some referred to as “recruiters” for the law firm, and said they hadn’t seen them for a few months.

The vendors would usually hang around the people offering free phones right next to the entrance to the county building, according to some who said they were paid.

“It’s been three different people that I’ve seen. They come randomly, maybe once or twice a month,” said Oscar Garcia, who sells cigarettes on the sidewalk. “They

promise them \$50 to sign.”

Like most sexual abuse cases, all of DTLA’s lawsuits that are part of the massive settlement were filed using only the victim’s initials — JOHN DOE A.R., JANE DOE M.P. The Times confirmed the seven people who said they were paid had lawsuits filed by DTLA through sources with access to plaintiffs’ real names and case numbers.

After The Times reached out to DTLA for comment, the firm called two people The Times had spoken with on the record into its office on Sept. 11 and told them to stop speaking with the reporter.

One man, whom The Times is not naming as he later asked to not be included in the article, called The Times the morning of Sept. 11 and said the firm had ordered him a ride from the broken-down car he was living out of in South L.A. to the firm’s office. He said an attorney had warned him that The Times was doing a “smear article” and didn’t want plaintiffs like him receiving any money from the settlement.

Mitchell Langberg, a defamation lawyer retained by the firm, sent The Times a sworn declaration from the man later that day, accusing the reporter of pretending to be a representative of DTLA to lure him into speaking freely.

The man had saved the reporter’s number in his phone as belonging to the “LA TIMES,” had his picture taken by a Times photographer, sent emails to the reporter’s L.A. Times email account and texted asking when the article would run in the paper.

Shortly afterward, some of the DTLA clients interviewed for this article received a text from the firm, they said, warning them against speaking with reporters:

“If you have been contacted, please notify our office immediately,” the text read.

The litigation floodgates [opened in 2020](#) after California passed a law allowing survivors of childhood sexual abuse to sue the perpetrator even though the statute of limitations had passed on their cases.

Since then, law firms have hunted aggressively for lucrative cases, flooding social media with ads and quietly tapping third parties to find former occupants of county-run juvenile halls and foster homes. The effort has met [little resistance](#) from L.A. County officials, who say they threw out relevant records long ago.

This spring, the county agreed to pay \$4 billion to settle thousands of sex abuse claims dating back to the 1950s without taking depositions or knowing the names of thousands of plaintiffs. Rather, the vetting had been done almost entirely by attorneys who stand to walk away with more than a billion dollars in fees.

It is a lopsided system that, some attorneys concede, risks squandering taxpayer money meant for victims who suffered egregious abuse as children in the county's custody.

“The whole thing just stinks,” said John Manly, a longtime sex abuse lawyer who served as a lead attorney in the settlements against USA Gymnastics doctor [Larry Nassar](#) and USC gynecologist [George Tyndall](#). “It looks to me like a third of these cases are total bull—, and [the county] is paying for no reason.”





state lawmaker, Lorena Gonzalez pushed for Assembly Bill 218, which gave victims a new window to sue over childhood sexual abuse. Gonzalez, now the president of the California Federation of Labor Unions, said she believes plaintiff lawyers have taken advantage of the law change. (K.C. Alfred / San Diego Union-Tribune)

Manly's law firm, Manly, Stewart & Finaldi, is one of three prominent law firms that sued the county under the law change, but did not join the settlement.

DTLA was started by two cousins, Daniel Azizi and Farid Yaghoubtil, and their childhood friend Salar Hendizadeh, the partners [told](#) commercial real estate company CoStar after expanding in 2023 to a new Banksy-adorned office building downtown. Attorneys [focus](#) on the typical cases for most personal injury firms — dog bites, falls and auto accidents.

The firm became the scourge of ride app companies such as Uber, which [sued](#) DTLA and another law firm in federal court in July. The ride app giant alleged that the firms

had filed a flurry of “fraudulent claims” and colluded with an Encino-based doctor to inflate the cost of plaintiffs’ medical expenses. The lawsuit is ongoing. In an Instagram [post](#), DTLA called it a “calculated attempt by a billion-dollar corporation” to suppress legitimate claims.

In an interview in June before The Times learned of the alleged vendor payments, attorney Andrew Morrow, the lead attorney in nearly all of the firm’s sex abuse cases against the county, said DTLA’s success was due to the reputation he had cultivated as “the therapy guy ... out in the streets of downtown L.A.” Clients called him, he said, because they knew the firm would connect them with a therapist.

“And I said, ‘Well, let me ask you this, do you have a lawsuit? Were you a victim?’” Morrow said of the calls. “We were filling a void in the marketplace.”

Some of the DTLA clients The Times interviewed said they spoke with a therapist provided by the firm. Four said they never heard from the firm after the day they signed up for a lawsuit.

Morrow said sexual abuse cases were “a little bit of a new frontier” for him. He had previously specialized in real estate, entertainment and insurance litigation at a firm he founded before switching to DTLA in 2023, according to his old [bio](#).

He is now one of the region’s most prolific filers of sexual abuse cases. His cases, he said, are vetted for fraud through mental health professionals.

“I’m sure there are firms that still have cases like that,” he said. “We don’t because, like I said, ours go to therapy, and our doctors identify that stuff.”

For thousands of sex abuse victims, the law worked as intended.

With the [passage of Assembly Bill 218](#) in 2020, survivors had until they were 40 rather than 26 to sue their abuser, giving them a chance to get financial compensation for horrors they were far too young to grapple with — much less sue over — as children. Stories of abuse that had been hidden for decades surfaced, as did the names of [prolific abusers](#), some of whom were still working with minors.

But it also put a massive target on the budgets of government entities, which had long ago thrown out records that could be used for a defense. Former state lawmaker Lorena Gonzalez, who spearheaded the law, says she has been disturbed by how it has panned out.

“It’s clear that the State Bar and attorneys themselves cannot hold themselves accountable,” said Gonzalez, now the president of the California Federation of Labor Unions. “What they’re doing, I think, to the cities and counties is deplorable.”

Following the law change, firms began amassing thousands of clients to sue the county through social media campaigns promising payouts and privacy.

“You’re going to be a Jane Doe or a John Doe,” Morrow told potential clients in a video posted to the firm’s TikTok page last year. “No one’s ever going to know your name.”

The cases are lucrative for attorneys, many of whom will receive 40% of their clients’ payouts, according to retainer agreements viewed by The Times. That includes New York City-based Slater Slater Schulman, which has roughly 3,700 clients; Boca Raton, Fla.-based Herman Law, with about 800 clients; and Los Angeles-based Becker Law Group and McNicholas & McNicholas, for which The Times found a combined 1,100 plaintiffs. Todd Becker, with Becker Law Group, said their fee differs from plaintiff to plaintiff.

# Just five firms fueled \$4 billion settlement

Five firms filed the bulk of sex abuse cases against L.A. County. Many firms that specialize in sex abuse had fewer than 200 clients.

Slater Slater Schulman

3,757 plaintiffs

Downtown LA Law Group

2,772 plaintiffs

ACTS LAW Firm

1,739 plaintiffs

Becker Law Group / McNicholas & McNicholas

1,098 plaintiffs

Herman Law

857 plaintiffs

Arias Sanguinetti Wang & Team

153 plaintiffs

Manly, Stewart & Finaldi

130 plaintiffs

Boucher

23 plaintiffs

The Times found the above numbers by reviewing all available lawsuits that a judge deemed related to the settlement when the claim was filed. The numbers may not reflect a firm's current caseload.

Gabrielle LaMarr LeMee LOS ANGELES TIMES

Becker Law Group said in a July court filing that four of the firm's clients recently told the firm they weren't abused. Patrick McNicholas, who co-counsels cases with the firm, said the lawsuits were weeded out as part of the firm's vetting process.

Slater Slater Schulman, which has filed more cases than any other law firm, stated in a September filing that client John Doe J.S. "should not have been included." The firm previously said in a lawsuit that he had been sexually assaulted at Los Padrinos Juvenile Hall in Downey beginning in 2006 when he was 13.

Slater Slater Schulman has found similar problems in its avalanche of sex abuse cases against the [Boy Scouts of America](#). On Sept. 9, retired U.S. Bankruptcy Judge Barbara Houser, who is overseeing the \$2.4-billion victim settlement trust, singled out Slater Slater Schulman for a pattern of “irregularities” and “procedural and factual problems” among its plaintiffs. The firm previously said it represented roughly [14,000 victims](#).

The firm was asked to pay for an “independent third party” to investigate its cases for fraud before going through the trust’s standard vetting process. Clifford Robert, an outside attorney representing the firm in its issues with the Boy Scout cases, said Slater Slater Schulman is “working tirelessly” to address the issues and that justice for survivors is its top priority.

Tammy Rogers, 56, hired the Slater firm in 2022 to sue after a staff member at MacLaren Children’s Center, a county-run children’s facility now [infamous for abuse](#), allegedly molested her when she was about 9. She said she has grown unnerved by the financial incentive lawyers like hers have in amassing unwieldy numbers of clients.

“You can’t get ahold of them,” she said of her firm, which has filed cases on behalf of hundreds of new plaintiffs since the settlement was finalized. “I called them repeatedly, repeatedly, repeatedly.”

my Rogers, 56, said a staff member at MacLaren Children's Center sexually abused her when she was about 9, an incident that her spiraling toward drugs and tortured relationships with men. She sued the county in 2022. (Carlin Stiehl / Los Angeles Times)

County and plaintiff lawyers nailed down the \$4-billion figure on Oct. 30. Since then, thousands more plaintiffs have been added.

“[Firms think] ‘there’s a fund out there, and I’m going to do everything in my power to get as much as I can,’” said one attorney suing the county over sex abuse, who declined to be named, fearing professional repercussions.

It’s a fund, critics say, with few safeguards for fake claims.

The cases will be reviewed by retired Los Angeles County Superior Court Judge [Louis Meisinger](#), who mediated similar settlements for the victims of the [2023 Maui](#)



[wildfires](#) and the 2017 [Las Vegas concert mass shooting](#). Any plaintiff who wants to skip that vetting process can take \$150,000 in a lump sum at the start of next year.

Meisinger will distribute the remaining money after reviewing fact sheets from the victims. If Meisinger believes a case is fraudulent, the county can either give the plaintiff \$50,000 to resolve it or get it booted from the settlement, meaning it would work its own way through the court system, according to an allocation protocol reviewed by The Times.

Otherwise, the minimum amount a client can get is \$100,000, according to the protocol. The most is \$3 million, far less than some victims who suffered egregious abuse feel they deserve.

“I spent two years being tortured by some grown ass men. I mean, I even gave them names,” said a man who was granted anonymity to discuss his case. “It seems like, once again, I’m being taken advantage of.”

He said he had hoped to use the money to buy 60 acres of land for a group home that would give orphaned children the joy he says was snuffed out of him before he hit puberty. At age 10, he said, he was raped and forced to perform oral sex on a man at [MacLaren Children’s Center](#). At age 43, he said, he can’t smell Pine-Sol without flashbacks to the supply closet favored by his abusers as a site for their assaults.

Trinidad Pena, 52, said she desperately needs the settlement money to pay for medical care, overdue bills and therapy. At age 12, she said, she was impregnated by a staff member at MacLaren Children’s Center — an assault that has haunted her since the 1980s.

“What kind of rights did I have as a 12-year-old to sign away another human being?” asked Pena, who recalls seeing the baby for seven minutes before the girl was given to

a family in Laguna Hills through a closed adoption. “The lawyers are being made millionaires, but we are just going to be able to pay our back taxes.”

The county was never interested in a fight.

Once the deluge of lawsuits started, county lawyers had just one goal: to make the cases go away without the county going bankrupt.

They did not want to risk a trial. Early in negotiations, county lawyers understood they were looking at a number of cases of brutal rape and molestation that could easily make a disgusted jury award the type of budget-busting [\\$135-million verdict](#) that got handed to the Moreno Valley Unified School District in 2023 for the sexual abuse of two students by a middle school teacher. The district hired him despite a past [arrest](#) in the molestation of his foster son, according to the lawsuit.



ney John Manly said he believes the county did not do enough vetting of the cases. Manly's law firm, Manly, Stewart & Finaldi, is one of three prominent law firms that sued the county under the sexual abuse law change, but did not join the \$4-billion settlement. (en J. Schaben / Los Angeles Times)

If there were even 30 cases that appalled the jury as much as that one, the county would risk paying far more than \$4 billion. Better, the county lawyers reasoned, to come up with a total sum that wouldn't drain coffers of the government, which is responsible for the social safety net for the poorest residents, and let someone else divvy it up among the thousands of victims. With a \$45-billion budget, they could make \$4 billion work if most county agencies trimmed their spending.

Andy Baum, the county's outside attorney leading the defense effort, told a judge in a June hearing that he viewed it as an "inventory settlement." There were simply too

many cases, the county felt, to fight individually. And so lawyers conducted only basic vetting of the claims — most of which were filed in court with a pseudonym, an unnamed abuser, and a sentence or two about the abuse. They took no depositions, according to multiple lawyers involved in the settlement.

“We have thousands of cases, and we don’t even have the most fundamental information,” Baum said at the hearing.

The county also allowed many cases to become part of the settlement without the paperwork the law requires. Under [state law](#), cases in which the victim is older than 40 must be filed with a certificate from a therapist, who can attest that there is a “reasonable basis” to believe the plaintiff was sexually abused.

DTLA, which specialized in these cases, filed many of its older lawsuits without the certificate, considered by the Legislature as a critical way to prevent fraudulent claims. The county lawyers never protested, explaining in the June court hearing that they wanted to make sure DTLA’s cases were quickly ushered into the nearly finalized settlement.

“We had a gun to our head,” Baum told Los Angeles County Superior Court Judge Lawrence Riff, who’s overseeing the juvenile hall abuse cases, when pressed by the judge on why he waived the rule.

DTLA said nearly all of its certificates have since been filed, but did not provide numbers on how many remain outstanding.

The paltry defense launched by the county has some rethinking the law that started the deluge.

Sen. John Laird (D-Santa Cruz) [tried to push through a bill](#) this session intended as a

lifeline to entities drowning in sex abuse lawsuits by limiting the window victims would have to sue. He pulled it last month after [outcry](#) from victim advocacy groups that said it trampled on the rights of survivors.

Maryland went further after being flooded with sex abuse claims for juvenile facilities following a similar state law change in 2023. This spring, the state [capped sex abuse cases](#) against government entities at \$400,000 and limited attorneys' fees to 25% for cases resolved in court.

That's not happening in California.

"It's just, in my view, not politically viable," Laird said.

Some lawmakers who have tried to change the law have faced brutal pushback by law firms, including Manly, Stewart & Finaldi, which has run ads branding such bills as "predator" protection.

"I don't see the appetite," Laird said.

For L.A. County, the pace of cases remains relentless.

Since the announcement of the \$4-billion settlement, [James Harris Law](#), a Seattle-based firm that specializes in mass torts, has been aggressively recruiting clients through social media ads that tell "abused juvies" they can qualify in 30 seconds for up to \$1 million.

After The Times entered a reporter's cellphone number in one of the firm's ads on Instagram, a representative from the firm's intake department called more than 38 times.

Harris said his firm runs a “straightforward public awareness campaign” and didn’t believe his ads contained dollar amounts. The sums were removed from the ads after The Times contacted Harris.

The marketing proved fruitful. This summer, months after the county announced the settlement, Baum said, James Harris called him to discuss his brimming inventory: 2,500 new cases.

Baum said the newcomer acknowledged he was “late to the party.”

*Times staff writers Sean Greene and Gabrielle LaMarr LeMee contributed to this report.*

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Rebecca Ellis covers Los Angeles County government for the Los Angeles Times. Previously, she covered Portland city government for Oregon Public Broadcasting. Before OPB, Ellis wrote for the Miami Herald, freelanced for the Providence Journal and reported as a Kroc fellow at NPR in Washington, D.C. She graduated from Brown University in 2018. Ellis was a finalist for the Livingston Awards in 2022 for her investigation into abuses within Portland's private security industry and in 2024 for an investigation into sexual abuse inside L.A. County's juvenile halls.