



American Tort Reform Association

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Memorandum

To: Chairman Carol Hagan McEntee
Members of the House Judiciary Committee

Fr: Matt Fullenbaum, Vice President of Legislative Affairs

Date: March 12, 2026

Re: Fiscal Impact of Revivers in Maryland and California

The following provides data and publicly sourced information about the experience of reviving time-barred claims in Maryland and California and the deleterious effects on state government finances.

Maryland's 2023 Reviver Law and 2025 Amendment

- After Maryland's 2023 reviver law was upheld by the Maryland Supreme Court in a 4-3 ruling, "A Department of Legislative Services analyst warned lawmakers . . . that negotiations by the Attorney General's office to resolve sex-abuse claims against the state could result in 'hundreds of millions,' if not billions, in unbudgeted settlements. . . . [T]he "claims against the state, almost all the people who were in juvenile facilities going back as far as the 1960s." (Maryland Matters, 1/21/25).
 - "Even if each of the 3,500 cases was one occurrence, the state could face more than \$3.1 billion in liabilities. That is not believed to be the total number of cases that could be filed against the state, and that amount does not take into account the potential liabilities of local governments who could face separate lawsuits."
- "The goal was never to bankrupt the state, obviously," Wilson said of the 2023 law he sponsored. (Maryland Matters, 1/22/25).
- "[C]onservative estimates [of the cost of revived claims for the state] initially set the amount at about \$3.1 billion — an amount roughly equal to the structural budget deficit. The actual amount of potential liability is not fully known." (Baltimore Sun, 4/16/25).
 - "I could have never comprehended 4,500 claimants, and it's an open door with another 1,500 in the hopper," [the sponsor C.T. Wilson] said in an interview earlier this year. He wondered aloud about "how much are taxpayers going to be on the hook for this?"
- The sponsor of the Child Victims Act, Del. C.T. Wilson, later supported legislation in response to attorneys who "want to capitalize on Maryland's pain." (Baltimore Sun, 4/28/25).
 - In April 2025, the Maryland General Assembly passed legislation constraining revived claims. (H.B. 1378). The bill:
 - Reduced the maximum total damage award in revived claims against public entities from \$890,000 to \$400,000.
 - Reduced the maximum noneconomic damage award in revived claims against private entities from \$1.5 million to \$700,000.

- Clarified that these limits apply per lawsuit, not per incident or occurrence.
 - Limited attorneys’ fees in any childhood sexual abuse claim to 20% of the settlement or 25% of the judgment.
- Governor Wes Moore rejected calls to veto this legislation, citing the need to “preserve the long-term fiscal stability of the state.” (Baltimore Sun, 4/16/25).
- The changes applied only to lawsuits filed on or after June 1, 2025, leading to a rush to the courthouse to file revived claims.
- “Lost in the flood of lawsuits being filed by an eager array of lawyers is any discussion about where the money to pay victims will come from The higher amounts of money being sought by these attorneys will have to come from somewhere and that somewhere is most likely higher taxes or reductions to government programs.” (Baltimore Sun, 5/12/25).
- More than 10,000 people sued the Department of Juvenile Services under Maryland’s Child Victims Act. All the claims involve allegations from decades ago. “[T]he Department of Legislative Services warned lawmakers of ‘enormous liability’—potentially billions of dollars — from these lawsuits.” (Daily Record, 12/8/25).
- “Not included in [the Maryland budget] outlook are potential lawsuit settlements related to the Child Victims Act, a 2023 law that lifted the 20-year statute of limitations for public and private entities accused of sexual abuse, essentially allowing victims to file suit at any time. If all the current suits that have been filed against the state under the law were settled for the maximum amount, the state could face a bill of almost \$10.7 billion. . . . There are roughly 12,000 claims filed against the state, each with a potential maximum liability of \$890,000. The potential liability equals almost 40% of the fiscal 2027 general fund budget.” (Maryland Matters, 1/27/26).

California’s 2019 Reviver Window

- *Politico* reported that, in the six years since California revived time-barred childhood sexual abuse claims, “school districts and other public entities have spent billions defending against the rush of lawsuits the law made possible.” (Politico, 9/12/25)
 - “Lawmakers are trying to deal with the sticker shock.”
 - “Faced with the worsening fallout, legislators are under pressure to rein in AB 218 and stem the bleeding.”
 - The author of California’s reviver law now supports “proposals to place caps on attorneys’ fees and other rollbacks of the law, claiming that some ‘unscrupulous attorneys’ were exploiting it as a ‘feeding frenzy.’ Justice is important, she said, but ‘we cannot allow cities and counties and school districts to go bankrupt.’”
 - The superintendent of a tiny school district outside of Santa Barbara, met with the incoming leader of the Senate “to try to convince her of the need to rethink the law. He hammered on its mounting financial toll that he and others say risk driving districts into insolvency. And he highlighted the impossible position school districts are in defending themselves against claims from decades past when the accused and witnesses are often dead and documents long gone.”
 - According to a report the Legislature commissioned on the impact of the law, “school districts had paid between \$2 and \$3 billion as of January [2025],” which was before Los Angeles County approved the \$4 billion settlement discussed below.

- Los Angeles County entered two settlements, \$4 billion for 11,000 people who say they were abused inside county-run detention facilities and foster homes as children (April 2025), and \$828 million to settle 414 more claims of those who allege they were abused in other county facilities for children (October 2025). Individual payouts will range from \$100,000 to \$3 million.
 - “The deluge of claims was unleashed with the passage of Assembly Bill 218 in 2020, which changed the statute of limitations and gave survivors a new window to sue their abusers.”
 - “Since then, school districts and governments have faced many decades old claims, for which they say there are no longer records kept on file to allow for vetting. County supervisors have been increasingly critical of the law, which they argue has left them defenseless against claims dating to the 1950s.” (LA Times 10/18/25).
- LA County officials “expressed anger . . . at the 2020 change, saying the law was poorly crafted and left the county hemorrhaging billions. Many counties and school districts have similarly decried the change to the statute of limitations, which they say forced them to fight decades-old cases without records. Governments are required to throw out older records related to minors for privacy reasons, leaving lawyers often unable to prove whether a person suing them was at the facility where the abuse allegedly occurred.” (LA Times 10/8/25).
- “County lawyers said they did what they could to weed out fraud, reviewing statements from plaintiffs and searching for whatever records and witnesses they could find. But the bottom line, lawyers said, is they simply don't have much evidence, if any, for most of the decades-old claims. Dawyn Harrison, the county's top lawyer, put the blame squarely on the law change, known as AB 218.” (LA Times 10/3/25).
- LA’s District Attorney said that the county’s \$4.8 billion in settlements for revived claims would have “massive financial ramifications for decades for the county, which acts as a social safety net for the region.” (LA Times, 11/20/25)
- California’s reviver window “unleashed an unprecedented wave of litigation on many of the nearly 1,000 public school districts in California. Scores of former students have come forth with allegations of rape and molestation dating to the 1950s. This reckoning has upended school budgets, drained district coffers, triggered cuts to programs, threatened cost-of-living increases for teachers and even contributed to layoffs. It has also raised questions of whether a noble effort to address the deep wounds of childhood sexual abuse has imposed a collateral penalty on today's students, with little public awareness of the true financial cost.” (LA Times, 12/21/25)
 - Los Angeles County lawmakers say this law was the "biggest driver of our fiscal crisis."
 - The superintendent of one public school district said her district had been on the brink of insolvency due to four lawsuits dating to the early 1970s. The district's insurer from that period had gone defunct. She has “trimmed staffing, which boosted classroom size, and cut enrichment programs, and she cannot use her general fund for staff development, field trips or academic tutoring.” “The district will be living with this for years,” she said. “It's unreasonable to expect a district that is small like ours . . . should be totally responsible for something that happened in 1970.”
- A *Los Angeles Times* exposé documented the use of ads, recruiters, and even offers to pay individuals to file fraudulent claims alleging sexual abuse as children, knowing Los Angeles County could not verify the claims and would settle them. LA Times, 10/3/25.
 - “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.”

- The law 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.”
- “Following the law change, firms began amassing thousands of clients to sue the county through social media campaigns promising payouts and privacy.”
- “The cases are lucrative for attorneys, many of whom will receive 40% of their clients’ payouts, according to retainer agreements viewed by The Times.” One law firm requires 45% of their clients’ payouts.
- “Once the deluge of lawsuits started, county lawyers had just one goal: to make the cases go away without the county going bankrupt.”
- “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 paltry defense launched by the county has some rethinking the law that started the deluge.”
- “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 juveniles’ they can qualify in 30 seconds for up to \$1 million.”