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LA Schools, County to Borrow More for Billions in Abuse Payouts.

Takeaways

- Los Angeles Unified School District and Los Angeles County plan to take on more debt to cover the mounting costs from a wave of childhood sexual assault settlements, officials said.
- LA County officials anticipate selling bonds to help cover the costs of a recent $4 billion settlement with abuse victims, according to Fesia Davenport, the county's chief executive.
- The 2019 California Assembly Bill 218, which extended the statutes of limitation for claims of childhood sexual assault against public entities, is having "unintended consequences" by imposing costs on current students, according to Pedro Salcido, the district's deputy superintendent.

Los Angeles Unified School District and Los Angeles County plan to take on more debt to cover the mounting costs from a wave of childhood sexual assault settlements, officials said.

Earlier this month, the school district — the second largest in the US — sold $308 million of taxable bonds to pay victims who filed lawsuits after the California legislature made it easier to sue public entities for old abuse cases.

The district is already authorized to borrow $500 million to pay for the settlements, but it will need additional money and plans to seek approval for further debt sales, according to Pedro Salcido, the district's deputy superintendent for business services and operations.

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