

Thomas Girardi Faces Competency Hearing Amidst Wire Fraud Charges

Indicted, disbarred, and embroiled in disgrace, plaintiffs' attorney Thomas Girardi is set to appear in federal court in Los Angeles for the second day of a crucial hearing. This hearing will determine his competence to stand trial on the serious wire fraud charges brought against him. The outcome of this legal battle could significantly impact his future, including whether he faces trial in not one but two criminal cases.

Indictments in Two Cities

Earlier this year, Thomas Girardi, the former principal of the now-defunct Girardi Keese plaintiffs law firm, was indicted by federal grand juries in both Los Angeles and Chicago. In both jurisdictions, he faces charges of misappropriating client funds, a grave offense that he and his co-defendants have steadfastly denied.

Health Issues Raise Questions

Central to Girardi's legal predicament is his alleged struggle with dementia, leading to the appointment of a conservator to act on his behalf. The competency hearing began on August 23 before Judge Josephine L. Staton in the Central District of California but was adjourned to allow for further evidence.

The High Stakes

Should Girardi be found incompetent and beyond the hope of restoration, prosecutors may be left with no choice but to dismiss the charges against him. Attorney Bill Barzee, principal of the Miami-based law firm Barzee Flores, emphasizes the fundamental right to a fair trial and the ability to understand and participate in one's defense. If Girardi is incapable of this, the purpose of prosecution comes into question.

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Letters and Observations

Girardi's legal team submitted several exhibits during the hearing, including redacted letters from friends and former colleagues. These letters detailed observations of his cognitive decline. Rick Kraemer, described as a "very close friend," noted a noticeable deterioration in Girardi's mental acuity following a 2017 car accident, which had recently accelerated. Additionally, Girardi appeared to believe that his law firm, shuttered in January 2021, was still operational.

Allegations and Accusations

In Los Angeles, prosecutors accuse Girardi and his former firm's CFO, Christopher Kamon, of embezzling over \$15 million from clients. In a separate indictment in the US District Court for the Northern District of Illinois, Girardi, Kamon, and David Lira, Girardi's son-in-law and former law partner, face charges of stealing more than \$3 million in client settlement funds. This money initially meant for families affected by the Lion Air Flight 610 crash in 2018, was paid by Boeing Co. The Chicago case awaits the resolution of Girardi's competency contest on the West Coast.

A Trail of Misconduct

Judge Thomas M. Durkin, overseeing the Lion Air cases, referred Girardi's misconduct to federal prosecutors after holding him in civil contempt in December 2020 due to his failure to distribute settlement funds. Subsequently, Girardi's brother sought a general conservatorship in a California state court, asserting that Girardi could not manage his affairs.

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Contentious Competency

Prosecutors question the timing of Girardi's cognitive decline, suggesting he may be faking it to avoid his trial. In contrast, defense attorneys argue that Girardi is adept at concealing his mental decline. Girardi's legal team has presented a panel of medical experts supporting his dementia diagnosis, while the prosecution's neuropsychologist contends that he is competent to stand trial.

A Complex Dilemma

During the hearing, a government expert testified that Girardi displayed inconsistent results in cognitive testing but provided astute responses when presented with a hypothetical case matching his own. This stark contrast in expert opinions creates a complex dilemma.

Consequences of Incompetency

If Girardi is found incompetent to stand trial, he may be committed to an appropriate care facility for up to four months, although this timeline is often extended. Ultimately, civil commitment and custody become viable options if medical professionals determine that his competency cannot be restored and he poses a danger to himself or others.

Representation and Legal Battle

The federal Public Defender's office represents Girardi, while the US Attorney's Office for the Central District of California represents the government in this high-profile case.

