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SUFFELE COURT

# IN THE SUPREME COURT OF GUAMOR CLASS

IN RE:	) Supreme Court Case No.: ADC03-002
JAMES S. BROOKS,	
Petitioner.	ORDER
	)

This matter comes before the court pursuant to a Motion for Acceptance and Adoption of the Report of the Guam Bar Ethics Committee ("Motion for Acceptance") filed on December 20, 2004, by James S. Brooks ("Brooks"). Brooks resigned from the Guam Bar in 1996, pending federal criminal proceedings filed against him. Brooks seeks reinstatement to the Bar under Rules 15 and 20 of the Supreme Court of Guam Rules for the Discipline of Attorneys. The Guam Bar Association Ethics Committee ("Committee") submitted a recommendation, finding that Brooks has shown rehabilitation and poses no threat to the legal profession and the public, and recommending reinstatement. Although we have no reason to doubt the conclusion of the Hearing Counsel for the Ethics Committee that the readmission of Brooks will not be detrimental to the integrity and standing of the Guam Bar, the administration of justice, or the public interest, we find that under the present rules governing admission in this jurisdiction, a prior felony conviction is a *per se* bar to admission to the practice of law. We therefore deny, without prejudice, Brooks' Motion for Acceptance.

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Brooks moved to Guam in 1968 and was admitted to practice law on Guam in 1971. On March 5, 1996, Brooks and the Guam Bar Ethics Committee entered into a Petition and Stipulation for Discipline by Consent. Brooks agreed to resign from practicing law on April 15, 1996, and further agreed that he would not file for readmission to the Bar until March 5, 1999.

On May 16, 2003, Brooks filed an application for permission to apply for reinstatement to the Guam Bar. On July 28, 2003, this court denied that application without prejudice because Brooks had not successfully passed the Multistate Professional Responsibility Examination ("MPRE").

On March 13, 2004, Brooks established that he had successfully passed the MPRE. Brooks then filed an application for permission to apply for reinstatement on April 21, 2004. This court referred the matter to the Committee for review on April 26, 2004. The Committee held an evidentiary hearing on Brooks' application for reinstatement on September 24, 2004.

On December 16, 2004, the Committee submitted its recommendations to this court along with the Report of Hearing Counsel. The Committee recommends that Brooks be reinstated to the Guam Bar and authorized to practice law on Guam, subject to certain conditions, based on a review of the findings and conclusions of the Report of Hearing Counsel. The Report of Hearing Counsel made the following findings:

In the fall of 1991, Brooks became aware that the representatives of a corporate client were either incarcerated or fugitives outside of the United States. Report of Hearing Counsel, p. 7. From October 8, 1991 through July 1992, Brooks withdrew \$300,000.00 from bank accounts held in that client's name and used the money to complete the construction of a home. *Id.* 

In November 1992, a receiver was appointed to marshal the client's assets. *Id.* The receiver hired Richard Johnson, *Esq.*, to investigate and locate the client's assets. *Id.* During an interview with Mr. Johnson, Brooks lied and told Mr. Johnson that he was unaware of any money or other assets of the client. *Id.* Brooks did not tell Mr. Johnson that he had withdrawn the money from the client's accounts. *Id.* Mr. Johnson and his associate, Kelly Clark, *Esq.*, continued the investigation throughout 1993, 1994 and 1995. *Id.* at 7-8.

In late 1995, Mr. Clark's investigation revealed that Mr. Brooks had withdrawn money from the client's account and deposited it into Brooks' personal bank account. *Id.* at 8. Mr. Clark tried to contact Brooks by telephone, but Brooks did not return his calls. *Id.* 

In January 1996, Brooks met with the United States Attorney for Guam and made a full disclosure of his theft.

On January 31, 1996, Brooks delivered a letter to the Committee describing his misconduct and acknowledging that he had violated the Rules of Professional Conduct. Brooks expressed remorse for his acts and apologized to all attorneys in good standing of the Guam Bar. *Id.* On March 5, 1996, Brooks and the Committee entered into the stipulation for discipline by consent. *Id.* at 9.

On April 12, 1996, Brooks waived indictment and plead guilty to an information charging him with interstate transportation of stolen money in violation of 18 U.S.C. § 2314. *Id.* On October 1, 1996, Brooks was sentenced to two (2) years of imprisonment. *Id.* Brooks was also ordered to pay restitution in the amount of \$306,147.61 and fined \$4,000 and a special assessment fee of \$50. *Id.* Brooks and his wife paid the restitution before the end of 1996. *Id.* 

During his nineteen (19) months of imprisonment, Brooks devoted part of his time assisting other inmates in legal matters. *Id*.

Brooks was released from prison on September 28, 1998. In November 1998, Brooks began working as a paralegal for David J. Lujan. *Id.* at 10. Since January 2003, Brooks has been working as a paralegal and law clerk for Lujan, Aguigui & Perez LLP. *Id.* 

The incident that resulted in disbarment was Brooks' only known ethical violation. *Id.* at 11.

The Report of Hearing Counsel for the Guam Bar Ethics Committee noted that fourteen (14) witnesses testified in favor of reinstating Brooks. *Id.* at 3. Additionally, sixteen (16) written statements were submitted supporting Brooks' reinstatement. *Id.* Of the thirty (30) people who testified and submitted written statements in favor of reinstating Brooks, fourteen (14) are attorneys. *Id.* No witnesses or written statements opposed reinstating Brooks. *Id.* 

On December 20, 2004, Brooks filed a Motion for Acceptance and Adoption of the Report of the Guam Bar Ethics Committee as the Decision and Order and a memorandum in support of that motion.

On December 27, 2004, this court ordered both Brooks and the Prosecuting Counsel for the Guam Bar Ethics Committee to submit briefing on the issue of whether Title 7 GCA § 9113(d), which bars admission for applicants with a felony conviction, precludes reinstatement in this case. The court held a hearing on Brooks' Motion for Acceptance on January 5, 2005.

#### II. Discussion.

The Committee has found that Mr. Brooks is rehabilitated, and recommends his admission to the Guam Bar. The issue presented before the court concerns Brooks' eligibility for readmission considering his conviction of interstate transportation of stolen money in violation of 18 U.S.C. § 2314.

Section 9113, Appendix A, of Title 7 of the Guam Code Annotated governs the qualifications for admission to the Guam Bar. Section 9113(d) provides:

A person is qualified for admission to the Bar of Guam who proves to the satisfaction of the Board of Law Examiners:

(d) that he has not been convicted in any court of a felony or any crime involving moral turpitude;

Title 7 GCA § 9113(d), Appendix A (1994)<sup>1</sup>.

In its December 27, 2004 order, the court requested that the parties brief the issues of the validity of section 9113(d), and the applicability of the provision in this case. Brooks and the Committee both argue that section 9113 was repealed upon the adoption of the Supreme Court of Guam's Rules Governing Admission to the Practice of Law. We disagree.

### A. Authority Over Admissions and Discipline.

Through the Frank G. Lujan Memorial Court Reorganization Act of 1992, Public Law ("P.L.") 21-147, effective January 14, 1993, the Guam Legislature transferred the authority over bar admissions to the Supreme Court of Guam. Title 7 GCA § 3107(b), as amended by this Act,

A person is qualified for admission to the Bar of Guam who proves to the satisfaction of the Board of Law Examiners:

<sup>&</sup>lt;sup>1</sup> Section § 9113 provides in full;

<sup>(</sup>a) that he has resided in Guam for not less than three (3) months preceding certification and intends in good faith to practice in Guam;

<sup>(</sup>b) that he is at least eighteen (18) years of age;

<sup>(</sup>c) that he is of good moral character;

<sup>(</sup>d) that he has not been convicted in any court of a felony or any crime involving moral turpitude;

<sup>(</sup>e) that he has completed at least two years of college;

<sup>(</sup>f) that he/she has graduated from a law school in the United States, its territories or possessions, which is accredited by the American Bar Association or that he/she has previously taken and passed one (1) or more parts of the Guam Bar Examination after graduating from a law school not accredited by the American Bar Association but previously approved by the Judicial Council. No correspondence law school may be so approved.

<sup>(</sup>g) that he has passed a final examination given by the Board of Law Examiners, which examination shall be given at least twice each year.

provided: "The Supreme Court has appellate jurisdiction over attorney disciplinary matters and supervisory jurisdiction over all inferior courts in Guam." Title 7 GCA § 3107(b) (Jan. 14, 1993). Section 3107(b) was later amended to give the Supreme Court "original and appellate jurisdiction over attorney disciplinary matters including but not limited to admissions, qualifications, and standards of practice; and supervisory jurisdiction over all inferior courts in Guam and may make and promulgate rules governing the practice and procedure in the courts." Title 7 GCA § 3107(b) (1994), as amended by Guam P.L. 27-31 (Oct. 31, 2003). The Frank G. Lujan Memorial Act further amended Title 7 GCA § 9101 to provide: "The Supreme Court shall have the power to govern attorney and judicial ethics, admission to, expulsion from and governance of a Guam bar association; and shall promulgate rules to effectuate that power." Title 7 GCA § 9101 (Jan. 14, 1993).

Recently, through U.S. P.L. 108-378 (approved on Oct. 30, 2004), Congress amended the Organic Act, conferring the Supreme Court's authority over admissions and discipline of attorneys. As amended, 48 U.S.C. § 1424-1 of the Organic Act provides: "The Supreme Court of Guam shall be the highest court of the judicial branch of Guam (excluding the District Court of Guam) and shall... govern attorney and judicial ethics and the practice of law in Guam, including admission to practice law and the conduct and discipline of persons admitted to practice law." 48 U.S.C. §1424-1(a)(7).

Unquestionably, authority over attorney admissions and discipline currently rests with the Supreme Court of Guam pursuant to the Organic Act and local law.

## B. Validity of Prior Law Governing Admissions and Discipline.

Prior to the transfer of authority over bar admissions to the Supreme Court, admission to the practice of law in this jurisdiction was governed by court rules and the provisions of the

Integrated Bar Act, found in Chapter 9 of Appendix A of Title 7 of the Guam Code Annotated.

Title 7 GCA, Appendix A, § 9113, which bars admission to individuals with a prior felony conviction, is contained within the Integrated Bar Act.

Title 7 GCA, Appendix A, §9103 repeals "Chapters 1 and 1.5 of Title XXIX of the

Government Code." Title 7 GCA Appx. A § 9103 (Jan. 14, 1993). Title XXIX of the Government Code was codified as Chapter 9, Appendix A of Title 7, see Gov't Code, § 28002 (1970) (setting forth the requirements now codified at 7 GCA, Appendix A, § 9113); thus, 7 GCA, Appendix A, § 9103, repeals Chapter 9, Appendix A of Title 7. Importantly, however, section 9103's repealer does not take effect immediately. Instead, Title 7 GCA § 9104 states that the repealing provision of section 9103 "shall not take effect until the rules of the Supreme Court authorized in § 9101 and § 9102 of this Chapter have been promulgated. Upon promulgation of the rules described herein, the powers of the Supreme Court over the attorneys and Bar of Guam shall become effective." Title 7 GCA § 9104 (Jan. 14, 1993).

Reflecting the statutory language found in Title 7 GCA §§ 9103 and 9104 as amended by P.L. 21-147, the Explanatory Note to Chapter 9, Appendix A of Title 7 states:

Pursuant to P.L. 21-147 (7 GCA § 9104) the power to govern attorneys and the Bar of Guam is not transferred to the Supreme Court of Guam until that court not only is operating, but also has adopted its own rules for the governance of attorneys. Until that time, the following Chapter continues in effect. For purposes of this publication, this Chapter is numbered "9" to coincide with the placement of the new law on attorneys, which will take effect as described above.

Title 7 GCA, Appendix A, Chapter 9, Explanatory Note (1994). The Explanatory Note reflects the statutory provisions instructing that the admission of attorneys to the practice of law are to be made pursuant to the Rules as adopted by the Supreme Court of Guam once those rules are adopted. The provisions of the Integrated Bar Act, therefore, were to remain in effect until the Supreme Court promulgated its rules for admission in this jurisdiction.

 Pursuant to statutory authority, on May 17, 1996, the Supreme Court adopted the interim rules to govern admission to the practice of law in this jurisdiction. The Promulgation Order stated:

Pending final approval of the Rules to be promulgated pursuant to §§ 9101 and 9103, of Title 7, G.C.A., the Court hereby promulgates interim Rules as follows:

- 1. The Board of Law Examiners consists of the Justices of the Supreme Court.
- 2. The Chief Justice shall administer the oath of attorney.

All other Rules of Admission and Discipline remain in effect until further order of this Court.

Supreme Court of Guam Promulgation Order, May 17, 1996 (emphasis added).

The court explicitly continued the rules then in effect as the rules governing the admission in this jurisdiction. The provisions of the Integrated Bar Act, including Title 7 GCA § 9113, were in effect at that time and therefore continued to remain in effect after the court's adoption of the interim rules. The court has subsequently amended the Rules Governing Admission to the Practice of Law and the Rules for the Discipline of Attorneys on numerous occasions but has not by order repealed all the other rules of admission and discipline previously in effect.<sup>2</sup>

The Introductory Paragraph to the Rules Governing Admission explains:

In accordance with its statutory authority and inherent authority, the Supreme Court of Guam adopted and promulgated rules governing admission to the practice of law in Guam in its capacity as the Board of Law Examiners.

These Rules were adopted May 17, 1996 and are set forth as amended, most recently on February 9, 2004. The Rules, as amended, are effective immediately and will be applied to matters pending before the Board. However, in any instance where a pending application can show prejudice from such amendment, the version of the Rules in effect at the time of his or her application will govern in that particular case.

<sup>&</sup>lt;sup>2</sup> See e.g. Supreme Court of Guam Promulgation Orders 98-001, 99-002, 99-003, 00-002, 01-001, 01-002, 01-002A, 01-003, 01-006, 02-005, 02-007, 02-010, and 04-001.

Rules Governing Admission to the Practice of Law, Introductory Paragraph.

Part A of the Rules Governing Admission is titled "Board to Determine Fitness of Bar Applicants," and Section 1 provides that the Board shall "administer the bar examination and shall inquire into the character and fitness of applicants for admission" as well as "certify as fit to practice law those applicants who have established to the Board's satisfaction that they possess the requisite integrity and character." Section 1, Part A, Rules Governing Admission to the Practice of Law.

Relevant to the issue *sub judice*, Part C of the Rules Governing Admission governs "Investigation of Applicants," and provides that the Board "shall issue a certification of admission to the practice of law to the applicant upon an applicant's passage of the bar examination, proof of certification of fitness to practice law, and proof of qualification based on the educational requirements under these rules." Section 1, Part C, Rules Governing Admission to the Practice of Law.

Section 2 of Part C provides a broad standard for certification, providing that an applicant may be certified after investigation if he or she "ha[s] the integrity and character requisite to be a member of the Guam Bar Association . . . ." Section 2, Part C, Rules Governing Admission; *cf.* Section 6, Part C, Rules Governing Admission ("Upon being satisfied that an applicant who had previously been denied certification of fitness to practice law on Guam possesses the integrity and character requisite to be a member of the Guam Bar Association, the Board may certify the applicant as fit to practice law.").

Importantly, the Rules are silent on the minimum age requirement to take the bar examination, the specific requirements for making character determinations, and the effect of a

felony conviction on a fitness determination.<sup>3</sup> Brooks and the Prosecuting Counsel for the Ethics Committee both argue that the adoption of the rules for making fitness determinations, and the fact that the rules are silent with regard to felony convictions, evidences a repeal by this court of the felony conviction bar set forth in 7 GCA § 9113. We disagree.

#### C. Repeal of Requirements of Section 9113.

We first reject the contention that by transferring the authority over admissions to the Supreme Court, the legislature intended that all the statutes covering admissions be repealed at the moment the Supreme Court's Rules Governing Admission were enacted. Rather, it is evident that the intent was to have the Supreme Court determine the requirements for admissions, and that only those requirements to admission that covered the same subject or overrode or repealed the statutory requirements would supersede the requirements set forth in the statutes. This is supported by the language of 7 GCA § 9104, which limits the effect of the repealing provision of section 9103 until after "the rules of the Supreme Court authorized in § 9101 and § 9102 of this Chapter have been promulgated." Title 7 GCA § 9104 (Jan. 14, 1993). By limiting the repealing provision, it is evident that the legislature intended that the statutes governing admission should remain in effect. This would prevent problems in the transition between the old and new rules. To read otherwise (i.e., that there was a wholesale repeal), would produce the absurd result of unintended and inconvenient gaps in the admissions procedures in the event the Supreme Court

³ The "Note From the Board of Law Examiners," which precedes the Rules Governing Admission to the Practice of Law, provides that certification is conditioned upon proof that the applicant is at least 18 years old, and completed at least two years of college. The Note enumerates as requirements for admission all requirements set forth in 7 GCA Appendix A § 9113, with the exception of the requirement in section 9113 (a) that the applicant be a Guam resident for the preceding three (3) months, as well as section 9113 (d)'s requirement that the applicant not have been convicted of a felony or crime of moral turpitude. However, the Note's treatment of the requirements of section 9113 is not supported by the language of the Rules Governing Admission. The Rules do not contain any provisions on the requirements found in section 9113. We therefore find the Note inapposite in determining the requirements for admission, and instead find it appropriate to rely on the language of Rules *vis-à-vis* the statutes.

did not adopt rules on specific subjects regarding admission contained in the statutes.<sup>4</sup> Such result is not supported considering the conditional language of section 9104. See Wash. State Bar Assoc. v. State, 890 P.2d 1047, 1051-52 (Wash. 1995).<sup>5</sup>

We further find that the Rules Governing Admission, as adopted by the Supreme Court, do not repeal the provisions of law pertaining to felony convictions. Courts discussing the validity of their statutes governing admission in light of the later adoption of court rules governing admission have relied on the doctrine of implied repeal, the question being whether the court rule impliedly repealed the prior statute. See e.g. Wash. State Bar Assoc. v. State, 890 P.2d 1047, 1051-52 (Wash. 1995); In re Chi-Dooh Li, 488 P.2d 259, 261 (Wash. 1971); cf. In re Admission to Bar, 84 N.W. 611 (Neb. 1900); In re Burton, 107 N.W. 1015 (Neb. 1906). "Repeals by implication are disfavored." See Sumitomo Constr. Co. v. Gov't of Guam, 2001 Guam 23, ¶ 16 (citing Lujan v. Lujan, 2000 Guam 21, ¶ 11). An implied repeal is found in two instances: "(1) where provisions in the two acts are in irreconcilable conflict, or (2) if the later act covers the whole subject of the earlier one and is clearly intended as a substitute." Id. (quoting People v. Quinata, Crim. No. 81-0004A, 1982 WL 30546, at \* 2 (D. Guam App. Div. Jun. 29, 1982)). If the two laws can be reconciled, the court should avoid finding that a later statute impliedly repealed an earlier one. Id.

<sup>&</sup>lt;sup>4</sup> Indeed if we adopt the Petitioner and Prosecuting Counsel's argument that there was a wholesale repeal of the existing law on attorney admissions and discipline with the May 17, 1996 Promulgation Order, which simply provided for the Board of Law Examiners to consist of the justices of the court and the Chief Justice to administer the oath of attorney, and we do not accept that all rules of admission and discipline remain in effect until further order of the court, we would have a situation where the justices would be bar examiners without a bar examination to administer.

<sup>&</sup>lt;sup>5</sup> The existence of such legislative involvement in these aspects of judicial authority does not necessarily contravene separation of powers principles. *See Wash. State Bar Assoc. v. State*, 890 P.2d 1047, 1051-52 (Wash. 1995) (dissent) (recognizing that "the court has permitted broad range of legislative intrusions into matters of inherent judicial authority over the bar, including matters more central to the judicial function of the bar than employment practices, such as the establishment of a board of bar examiners, *minimum requirements for bar membership*, and recommendations for procedures for bar regulation") (citations omitted and emphasis added).

Since the creation of the Supreme Court, the court amended various rules of admission, adding new rules to govern certain aspects of admission, see e.g. Supreme Court of Guam Promulgation Order No. 01-003 (Oct. 30, 2001) (adopting the Multistate Essay Examination and Local Question as part of the Guam Bar Examination); Supreme Court of Guam Promulgation Order No. 01-006 (Nov. 1, 2001) (increasing the passing score for the Multistate Professional Responsibility Examination from 75.00 to 80.00). The adoption of these new rules on specific subjects relating to admissions undoubtedly repeals statutes on the same subject. This court has not ruled upon the requirements for admission set forth in section 9113. Aside from the court rules regarding education requirements, there is no Supreme Court rule that pertains to the specific requirements for admission as set forth under 7 GCA § 9113. The court has also not expressly adopted rules, inter alia, governing an integrated bar association (§9102), authorized practice by law clerks (§9106.1), the composition of the Guam Bar Ethics Committee (§9202), or when written fee agreements are required for attorneys (§9216), and if we accept the Petitioner's and the Prosecuting Attorney's arguments that all of the existing statutes found in Appendix A were repealed when the court adopted the Rules Governing Admission to the Practice of Law or the Rules Governing the Discipline of Attorneys, there would not be any rules regulating these significant areas. The court clearly did not intend for this to occur which is why we specifically ordered in the May 17, 1996 Promulgation Order that all other Rules of Admission and Discipline remain in effect until further order of this court. Thus, because the court, through Promulgation Order issued on May 17, 1996, specifically expressed that all rules of admission were to remain in effect "until further order of this Court," and the court has not adopted any rule that relates to or exhibits an intent that the requirements for admission as set forth in 9113 be repealed, we hold that the statutory requirements for admission under section 9113 remain in

effect. Accordingly, section 9113(d), which bars admission for applicants with a felony conviction, precludes the admission of Brooks in this case.

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We further find that 7 GCA § 9113(d) applies to both initial applications for admission, as well as applications for reinstatement to the bar. There is nothing in the language of the statute that limits its application to initial applications only, and there is no policy or other compelling reason for imposing such limitation. The per se bar to admission for felony convictions reflects concerns relating to the character and fitness of an applicant to practice law in this jurisdiction. See Carr, Maureen M., The Effect of Prior Criminal Conduct on the Admission to Practice Law: The Move to More Flexible Admission Standards, Georgetown Journal of Legal Ethics, 8 Geo. J. Legal Ethics, 367, 383 (Winter 1995) (explaining that the rule of per se disqualifying an applicant with a prior criminal conviction from admission to the state bar reflects the traditional view that "certain illegal acts -- regardless of the likelihood of their repetition in a lawyer-client relationship -- evidence attitudes toward law that cannot be countenanced among its practitioners;" and that "to hold otherwise would demean the profession's reputation and reduce the character requirement to a meaningless pretense."). From the perspective of establishing the requisite character and fitness to practice law, an applicant seeking admission for the first time stands in the same position as an applicant seeking reinstatement after resigning.

We recognize that there are costs and risks inherent in any rule for admission or disqualification of a person with a prior felony conviction and that the existing *per se* rule may result in the island community being deprived of the assistance of a competent and capable individual who is remorseful and rehabilitated. *See* Carr, *supra*, at 383. This case is not, however, the appropriate time or forum to weigh and debate the considerations of a rule change or to make such a decision.

#### III. Conclusion.

We find that section 9113(d), which bars admission to applicants who have a felony conviction, precludes the readmission of Brooks to the Bar of this jurisdiction. Accordingly, Brooks' Motion for Acceptance is hereby **DENIED** without prejudice. Brooks may re-apply for reinstatement in the event the rules for bar admission are amended to allow for the admission of individuals convicted of a felony or a crime involving moral turpitude.

SO ORDERED, this <u>19</u> day of July, 2005.

## Richard H. Benson

#### Robert J. Torres

RICHARD H. BENSON Justice Pro Tempore

ROBERT J. TORRES, JR. Associate Justice

## Frances Tydingco-Gatewood

FRANCES TYDINGCO-GATEWOOD Presiding Chief Justice<sup>7</sup>

Ohief Justice F. Philip Carbullido recused himself from this matter. As the next-senior member of the court, Justice Frances Tydingco-Gatewood serves as Presiding Chief Justice in this case.