Colorado Supreme Court 2 East 14th Avenue Denver, CO 80203	DATE FILED July 20, 2026 CASE NUMBER: 2025SA319
Original Proceeding in Unauthorized Practice of Law 25UPL21	
Petitioner: The People of the State of Colorado, **v.** **Respondent:** Michael D. Rea.	Supreme Court Case No: 2025SA319
ORDER OF COURT	

Under C.R.C.P. 232.17(d), the recommendation of the Presiding Disciplinary Judge ("PDJ") to enjoin respondent, Michael D. Rea, from the unauthorized practice of law, as defined in C.R.C.P. 232.2(b)–(c), is ADOPTED.

The PDJ's recommendation regarding respondent's payment of fines, restitution, and costs is also ADOPTED.

Respondent is therefore ORDERED to pay the following: (1) a combined fine amount of $12,000.00 for the eight instances of his unauthorized practice of law; (2) restitution to Claudia Hart in the amount of $20,500.00; and (3) the costs of this proceeding. These amounts are to be paid within thirty-five days of the date of this order.

BY THE COURT, JULY 20, 2026.

SUPREME COURT, STATE OF COLORADO ORIGINAL PROCEEDING IN THE UNAUTHORIZED PRACTICE OF LAW BEFORE THE OFFICE OF THE PRESIDING DISCIPLINARY JUDGE 1300 BROADWAY, SUITE 250 DENVER, CO 80203	
Petitioner: THE PEOPLE OF THE STATE OF COLORADO **Respondent:** MICHAEL D. REA	Case Number: **25SA319**
REPORT OF HEARING MASTER SETTING FORTH FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDATIONS UNDER C.R.C.P. 232.20(a)	

In this unauthorized practice of law case, the Office of Attorney Regulation Counsel ("the People") seek to enjoin Michael D. Rea ("Respondent") from the unauthorized practice of law in Colorado. The People allege that Respondent held himself out as authorized to provide legal services by providing legal advice and services to an employee of an assisted living facility and by offering to represent the employee and residents of the facility in an investigation and class action lawsuit. Presiding Disciplinary Judge Bryon M. Large ("the PDJ") finds that Respondent engaged in the unauthorized practice of law in Colorado. The PDJ thus recommends that the Colorado Supreme Court enjoin Respondent from the unauthorized practice of law, fine him for each instance of the unauthorized practice of law, and require him to pay restitution and the costs of this proceeding.

I. PROCEDURAL HISTORY

On the People's behalf, Jody M. McGuirk filed a "Petition for Injunction Pursuant to C.R.C.P. 232.15(a)" against Respondent on October 28, 2025, alleging that Respondent engaged in the unauthorized practice of law. The Colorado Supreme Court issued an "Order to Show Cause" the following day. Respondent responded to the petition on December 15, 2025.

On December 17, 2025, the Colorado Supreme Court referred this matter to the PDJ for findings of fact, conclusions of law, and recommendations. On January 9, 2026, the PDJ held a scheduling conference and set the hearing in this matter for May 5-6, 2026.

On May 5 and 6, 2026, the PDJ held a hearing under C.R.C.P. 232.19. McGuirk appeared for the People, and Respondent appeared pro se. The PDJ heard testimony from Claudia Hart, Sarah Gale, Steven Hawkins, Candice Ortiz, and Mike Samelson. The PDJ admitted stipulated exhibit S1 and the People's exhibits 1-12.

II. FINDINGS OF FACT[1]

The facts are largely undisputed. Respondent is a Colorado resident who lives in Greeley. He is not licensed to practice law in Colorado or any other state, though he has some experience as a paralegal. During all relevant times, Respondent owned or co-owned several businesses in the Greeley area, including Atman Services, Inc. or Atman Paralegal Services, Inc. ("Atman"); Crosswinds Paranormal Research and Development Society; and Pure Happiness, LLC ("Pure Happiness"). Respondent operated these businesses with Sara Gale and James Reeves from a shop in Greeley. The shop, also called Pure Happiness, sold CBD products, crystals, and other goods. Respondent used a portion of the shop as his office.

Claudia Hart is the complaining witness. She lives in Mead. From 2021 until November 2024, Hart worked as a live-in manager at Birch Assisted Living ("Birch") in Greeley. Hart first met Respondent, Gale, and Reeves around October 2024, when she picked up one of Birch's residents at Pure Happiness. Hart struck up a friendship with Respondent and Gale and became a regular visitor to the shop.

Respondent Is Hired to Assist with an "Administrative Mechanics Lien"

During one of Hart's first visits to Pure Happiness, she vented to Respondent and Gale about a host of issues she had experienced at Birch. Hart alleged that Birch owed her money for unpaid wages and other expenses, and she voiced suspicion that the owners used fraudulent billing practices. Hart also claimed the facility was poorly maintained, and she told Respondent and Gale that she believed black mold in the building contributed to a resident's death. Hart confided that she wanted to turn Birch around and run it properly. She also believed she would be terminated from Birch from raising any of these concerns.

Respondent suggested that Hart, as a creditor, could assert a claim to recover her debt from Birch and gain control of the business through an "administrative mechanics lien." Gesturing toward three certificates hanging on his office wall, Respondent said that he had legal experience. He told Hart that he had once used such a lien to collect a debt and that he could help her with the same process. Hart did not read the certificates closely but noted that they appeared to pertain to legal education or training. Respondent's business card further reinforced Hart's trust in him, as the card appeared to bear the imprimatur of the legal profession, featured an image of the scales of justice next to the words, "Division of Civil Litigation," and was followed by "ID# 1935817,"

[1] Factual findings are drawn from testimony at the unauthorized practice of law hearing, where not otherwise indicated.

which Hart believed was Respondent's bar number.[2] The business card also prominently featured the American Bar Association's ("ABA") logo and represented that Respondent was a 2021 ABA member.

Hart readily agreed to the plan. On November 12, 2024, she made Respondent's required payment of $10,000.00 to cover the matter. Flagging the receipts for her tax records, she circled the transaction's payment amount on the bank statement and wrote "lawyer fee."[3] On the Square receipt for the payment, she wrote "for legal services."[4]

Respondent organized the lien process in a series of eight steps, with each step consisting of preparing, executing, and serving a lien document on Birch and on T.S., whom Hart believed owned and controlled Birch. Respondent advised Hart that her termination from Birch would be the "trigger" to set the lien process in motion.

Respondent prepared each of the lien documents based on forms he obtained online or earlier used, which he entirely retyped using financial information that Hart provided. Respondent notified Hart when each document was ready and instructed her to notarize and serve the documents on Birch and T.S.[5] Following Respondent's instructions, Hart served:

- On December 9, 2024, a six-page document captioned "Notice to Collect a Debt *Within the Administrative Remedy – State of Colorado*, First Notice and Demand for Payment."[6] The document's introductory paragraph identifies T.S. as the debtor and informs T.S. that Hart, as the secured party, "is requesting payment for monies owed to her by you and or by the company you are responsible for, [Birch]. Below you will find within this presentment a calculation . . . of what expenses are outstanding and the options available to you in satisfying the debt."[7] The presentment contains twenty-eight detailed requests for admissions and a debt calculation totaling $1,367,000.00. The document provides a deadline to respond and purports to warn of default and other actions if T.S. failed to respond, including wage garnishment, liens, repossession or loss of property, and judicial enforcement. The document asserts jurisdiction under "The State of Colorado, The Uniform Commercial Codes, The private administrative remedies of Claudia Hart and the Federal 10th District Court for the District of Colorado."[8]

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[2] Ex. 2 at 1.
[3] Ex. 10 at 1.
[4] Ex. 10 at 2.
[5] *See* Ex. 2 at 2.
[6] Ex. 3.
[7] Ex. 3 at 2.
[8] Ex. 3 at 2.

- On December 26, 2024, a one-page document captioned "2nd Notice to Collect – Opportunity to Cure," which states that it is brought under the "private administrative presentment" process.[9]

- On January 15, 2025, a two-page document captioned "Certificate of Default, State of Colorado, Notary Public Officer, Weld County, Colorado."[10] The document purports to establish T.S.'s admission of liability for the debt.

- On January 24, 2025, a two-page document captioned "1st Notice and Demand for Payment," purporting to inform T.S. that she had admitted the debt due to her failure to respond or contest the allegations , that she had been given the opportunity under the Administrative Procedure Act to dispute Hart's claim, and that "[she] may file an appeal with the State of Colorado."[11]

- On January 27 and 29, 2025, documents captioned, respectively, "2nd Notice and Demand for Payment,"[12] and "3rd and Final Notice and Demand for Payment."[13] Both notices appear substantially the same as the first notice dated January 24, 2025.

In addition, on February 3, 2025, Hart filed with the Weld County Clerk and Recorder a seventh document titled "Notice of Adjudication and Final Default Within the Private Administration of an Attempt to Collect Debt."[14] The twenty-one-page document includes a public notice of Hart's claim filed with the Weld County Clerk and Recorder's Office, two documents captioned "UCC Financing Statement" that contain descriptions of the collateral for the purported debt, and copies of the six earlier-submitted documents. Hart filed the document with the clerk and recorder at Respondent's direction.

Respondent Is Hired to Investigate Legal Claims and Pursue Lawsuit

Soon after Hart and Respondent first discussed the lien in autumn 2024, Hart met with Respondent, Gale, and Reeves. With Hart was Steven Hawkins, a Birch resident whose spouse had fallen ill and passed away at Birch. Also present was Hart's friend Candice Ortiz, who previously worked at Birch as Hawkins's caregiver. During the meeting, the group discussed pursuing a wrongful death claim against Birch on behalf of Hawkins's spouse, whom Hart claimed had died because of black mold at Birch. The group also discussed involving other residents as part of a class-action case against Birch. Respondent stated that he would investigate potential actionable claims, and he affirmed that he would help Hart acquire control of Birch.

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[9] Ex. 6.
[10] Ex. 8.
[11] Ex. 4 at 1.
[12] Ex. 5.
[13] Ex. 7 (notary page only); *see also* Ex. 9 at 17-18.
[14] Ex. 9.

During the meeting and while Respondent was present, Gale touted Respondent's work with the district attorney's office in Greeley, telling Hart and Ortiz that Respondent had worked on important cases. Gale also told Ortiz that Respondent did not post information about himself online because of the threat of retaliation involving those matters. Ortiz testified that the statements made by Gale and Respondent at the meeting, in conjunction with Respondent's legal certificates in his office, caused her to believe that Respondent was a lawyer.

Hawkins could not specifically remember the meeting in autumn 2024. Nor did he recall whether Respondent, Gale, or Reeves ever told him that Respondent was a lawyer. Even so, Hawkins believed at the time that Respondent was a lawyer, that Respondent would pursue a wrongful death claim related to his spouse against Birch, and that Hart paid Respondent for the representation. Hawkins attributed his belief to the certificates on Respondent's office wall.

Hart understood from the meeting that Respondent would gather witness statements, affidavits, and other evidence to use in a class-action lawsuit brought by Hawkins and other residents against Birch. Based on Respondent's description of the process and possible outcomes of the matter, Hart agreed to hire him for Hawkins's case and was confident that he would deliver results.

An unsigned document labeled "General Understanding/Agreement" dated November 6, 2024, purports to be the representation agreement between Hart and Respondent in the matter. The document's header includes the language "**PARALEGAL INVESTIGATION**, Atman Services, Inc. (not legal advice), L. Michael Rea," and contains Respondent's contact information and ABA number.[15] Under Hart's name, the document states, "Highly advised to seek counsel for litigation purposes" and "Atman Services agrees to investigate claims associated towards Birch Assisted Living . . . And specifically the following: a. Fraud Misappropriation of Funds b. Dietary c. Living Conditions d. General and Specific Care e. Medication, Medical & Financial Management."[16] The document includes a section labeled "Paralegal Status and Involvement," providing in part that Atman will investigate the listed issues and create a file "contain[ing] facts relevant for civil liabilities against [Birch] . . . [and] will contact civil litigators in an attempt to have the case represented"; it also includes a disclaimer that Atman's services "are not meant to be construed as legal advice or direct representation in a court of law."[17]

Hart denied that she had entered into the agreement with Respondent or Atman, and she testified that she saw the document for the first time when Respondent attached it to his response to her request for investigation with the People.

On November 14, 2024, Respondent and Hart signed a mutual nondisclosure agreement that Respondent had prepared. Beneath the signature line, the document identifies Respondent

[15] Ex. 12 at 1.
[16] Ex. 12 at 1.
[17] Ex. 12 at 1.

as a "Paralegal Investigator."[18] The document purports to govern the use of "proprietary information" when Respondent rendered the following services: "To investigate whether or not civil/criminal remedies are available to residents[ ] in breach of Code, Regulations, or Medical/Health Care, Wrongful Death claims, Unlawful Payroll, Taxes, INS Status or other necessary [sic] for the completion of such investigation."[19] Notwithstanding the document's plain language, Hart understood the agreement to prevent her from working with another lawyer on the lien and wrongful death matters. At the hearing, she said that she did not carefully review the document because Respondent rushed her to sign it.

On November 18, 2024, Hart paid for Respondent's representation in the wrongful death matter with a $10,500.00 cashier's check made out to Pure Happiness.[20] Respondent accepted the cashier's check after repeatedly asking Hart to pay in cash.[21] On her bank statement, Hart circled the transaction date of November 18, 2024, highlighted the payment amount of $10,503.00, which she said included a $3.00 transaction fee, and wrote "lawyer" above the figure.

On November 27, 2024, Hart requested an update on the investigation. Respondent replied:

> After the interviews with the residents so far we have to get together and assess the many wrongs and pinpoint the violations … separate the criminal activities from civil…locate remedies for each jurisdiction…research is the key here… Then we have to formulate what wrongs violate state and federal statutes, state laws, regulations, HIPPA violations, pinpoint dates and commercial bookkeeping entries, locate IRS code violations, then contact entities that can do further research on the complaints, then formulate the complaints for presentations for both District Attorneys and Civil Litigators…. More to come.[22]

Despite the reference to "presentations for both District Attorneys and Civil Litigators," Hart believed Respondent would present these matters as a lawyer.

Meanwhile, Birch terminated Hart in November 2024, "triggering" the lien process. On November 28, 2024, Hart asked Respondent and Gale, "Do I need to call the labor board about my employment status or are you handling that? Please advise . . . ."[23] Respondent responded that Hart would first need to get confirmation of her termination.

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[18] Ex. 1 at 2.
[19] Ex. 1 ¶ 2.
[20] Ex. S1; *see also* Ex. 10 at 3. In text messages cited below, Hart states that she paid Respondent $20,000.00 in total for legal services, which suggests she believed the transaction was for $10,000.00. In their petition, the People also peg the transaction amount at $10,000.00.
[21] *See* Ex. 11 at 4-5.
[22] Ex. 11 at 158.
[23] Ex. 11 at 121.

Five days later, on December 3, 2024, Reeves texted Hart, including Respondent and Gale, that they were "calculating numbers and getting stuff ready."[24] Hart then sent a photograph of a handwritten list captioned, "Claudia's Expenses (on Birch)," which listed six items totaling $3,010,000.00 that Hart wished to include in the lien documentation.[25] Hart then sent a photograph of a different handwritten note that read, "$20,000 Lawyer Expenses" and texted, "How could I forget this? Ha ha ha," to which Respondent responded, "We should increase that one (laughing emoji)."[26] The following day, Hart inquired when Respondent would visit her home, telling him that her tenant sought "to have a meeting of the minds with a lawyer present" to discuss appointing Hart as the tenant's power of attorney.[27] Hart testified that Respondent did not attempt to correct her or to clarify what she meant.

In a text two days later, on December 6, 2024, Respondent asked Hart if she wanted to "make a few million" as an investor.[28] They exchanged a few jocular texts about the opportunity before Respondent wrote, "Not to sound facetious… it[']s just an exciting issue…[smiling emoji]," to which Hart replied, "I KNEW I had the right lawyer!! Much more than a coincidence that [I was lead] to your doorstep."[29] Respondent did not correct her. Hart later learned that Respondent was soliciting investment in his new business, Pretty Paws. Hart testified that she invested $5,000.00 in the business.

Also on December 6, 2024, Respondent texted Hart that he had almost finished the documents for the first step in the lien process. In text messages sent the following day, on December 7, 2024, he asked Hart what she paid for the home she moved into after Birch terminated her. Hart responded that the purchase price was $735,000.00, and she added that she paid $50,000.00 for appliances and furniture. At the hearing, she testified that she was uncertain why he requested the information about her home. "But I answered him, and I trusted him," she said.

Later on December 7, Respondent notified Hart that he drafted the lien to claim that Birch and its owners owed her approximately $785,000.00. Hart replied, "OK….. you know what you are doing."[30] Shortly afterwards, Respondent sent Hart a photograph of a document that he identified as the lien, followed by the message, "You hold all her assets until she satisfies the debt owed to you[.] Based upon the 1st notice which I need you to notarize[.] It has begun . . . ."[31]

[24] Ex. 11 at 183.
[25] Ex. 11 at 184.
[26] Ex. 11 at 187.
[27] Ex. 11 at 22.
[28] Ex. 11 at 23.
[29] Ex. 11 at 24.
[30] Ex. 11 at 33.
[31] Ex. 11 at 36.

Eleven days later, on December 18, 2024, Hart asked Respondent what would happen if Birch's owners countersued and put a lien on her home. Respondent answered, "They won't[.] Watch." 32 Then, On December 20, 2024, Hart asked Respondent whether T.S. could evade service of the lien document or simply have another person sign for it. Respondent assured her that T.S. would receive the lien and that T.S. would be pushed into default if someone else accepted service. Later that day, Hart inquired how long Respondent would take to complete the documents for the second step in the lien process and asked Respondent in jest whether he wanted her to complete the forms. Respondent responded, "I'll handle this process. Thanks."[33]

Hart testified that one strategy in the lawsuit investigation included submitting reports to various federal agencies to prompt the agencies to investigate Birch. When Hart pressed Respondent for an update on the matters on December 20, 2024, he reported that "step two" was almost complete and, turning to the investigation, told Hart he was "waiting for emails on the Birch agencies getting involved."[34] Respondent never filed anything with the agencies.

Hart also believed that Respondent would file a complaint to initiate the lawsuit. She asked Respondent on December 28, 2024, whether he had done so. "Just trying to keep the momentum going. Residents over here are chomping at the bit," she wrote.[35] Respondent replied that no complaint had been filed and vowed to keep Hart apprised. Hart pressed on, asking Respondent whether he planned to allege that Birch's owners were defrauding insurers. "I have the complaints plus some agencies that will be looking into this," Respondent said.[36]

By early January 2025, Hart grew concerned about the status of both matters and started having doubts about Respondent's work. In the lien matter, she believed that Respondent pivoted to a new strategy of selling the lien to a collections agency, abandoning her goal of acquiring Birch. In the lawsuit matter, she saw little or no progress. On January 16, 2025, she wrote to Respondent, "Please I need to know that my $20,000 is making things happen."[37] Respondent replied,

> [W]e are still in the administrative process on [your] issues and cannot move forward until that is completed. Collections is better [if] we do not go judicial unless Tonya wants to fight it in court and challenge the process of collections. [Hawkins's] issue is a class action concerning wrongful death claims and poor living arraignments not given to Birch residents. Employees back wages are claims that they need affidavits stating that they have worked overtime and have not been paid by Birch. As you can see we are working on 4 separate issues and the Same

[32] Ex. 11 at 254.
[33] Ex. 11 at 264.
[34] Ex. 11 at 266.
[35] Ex. 11 at 288.
[36] Ex. 11 at 290.
[37] Ex. 11 at 133.

> Time. These things do not happen at the same time, they take strategy and timing. I don't [want] to put any of these 4 in jeopardy due to a lack of patience. Let the residents know we need all statements of all those wanting to proceed and be a part of it before judicial intervention can occur. If I just submit a complaint right now we will fail. [EPA] and other organizations are looking into the matter from what I know of. They got the request and complaints and have not heard back yet. I will not keep bothering them to hurry their process up.[38]

By late February 2025, Hart's confidence in Respondent was spent. That month, she met with lawyer Michael Samelson to review the lien documents. Samelson, whose practice includes construction law and who is familiar with mechanic liens, told Hart the lien was not valid. He determined that no statutory authority supported the "administrative mechanics lien" Respondent prepared for Hart. Samelson noted that while the documents were "clearly ineffective and not supported by the law," they gave the impression that they were legal documents. For her part, Hart said that her review of the documents was "not very thorough[ ]" but trusted that the lien was a legitimate action because she believed Respondent was a lawyer. She learned otherwise when, during her meeting with Samelson, he found that the Colorado Supreme Court's website did not list Respondent as an admitted lawyer.

Hart asked Respondent for a refund on February 27, 2025. Respondent said that he would work on it. Hart texted Respondent the next day and again asked for a refund. On March 6, 2025, Hart demanded that Respondent account for how he used her $20,000.00. Respondent answered that "[he] would be happy to[ ] but the funds were split into different causes..not all in investigative purposes. . . ."[39]

Hart renewed her request for a refund on April 4, 2025: "I know I will never see a return on my $5,000 investment with Pretty Paw[s]. I want a sizable percentage of $20k returned to me."[40] Respondent agreed to send a cashier's check with the refund. But ten days later, no check had arrived, and Hart wrote to Respondent, "Please mail me at least $15,000 for legal services NOT rendered . . . ."[41]

Respondent never refunded any of Hart's money.

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[38] Ex. 11 at 135-36.
[39] Ex. 11 at 52, 57.
[40] Ex. 11 at 149.
[41] Ex. 11 at 151.

III. CONCLUSIONS OF LAW

Legal Standards

The Colorado Supreme Court, which "exercises exclusive jurisdiction over all matters in Colorado involving the unauthorized practice of law,"[42] restricts the practice of law to protect members of the public from receiving incompetent legal advice from unqualified individuals.[43] Unless authorized by Colorado Supreme Court case law, federal law, tribal law, or other valid law, a nonlawyer may not engage in the practice of law in Colorado.[44] The practice of law in Colorado includes protecting, defending, or enforcing the legal rights or duties of another person; drafting pleadings or other papers for any proceeding before any tribunal on behalf of another person; counseling, advising or assisting another person in connection with that person's legal rights or duties; exercising legal judgment in preparing legal documents for another person; and any other activity the Colorado Supreme Court determines to constitute the practice of law.[45]

A nonlawyer engages in the unauthorized practice of law by exercising legal judgment to advise another person about the legal effect of a proposed action or decision; advising another person about legal remedies or possible courses of legal action available to that person; selecting a legal document for another person or prepare a legal document for another person, other than solely as a typist or scrivener; advertising or holding oneself out, either directly or impliedly, as a legal consultant, or a legal advocate, or in any other manner that conveys capability or authorization to provide unsupervised services involving the exercise of legal judgment; owning or controlling a for-profit entity that is not authorized under C.R.C.P. 265[46] and that provides services involving the exercise of legal judgment; and soliciting any fees for services involving the exercise of legal judgment.[47]

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[42] C.R.C.P. 232.3.

[43] *Unauthorized Practice of Law Comm. v. Grimes*, 654 P.2d 822, 826 (Colo. 1982); *see also Charter One Mortg. Corp. v. Condra*, 865 N.E.2d 602, 605 (Ind. 2007) ("Confining the practice of law to licensed attorneys is designed to protect the public from the potentially severe consequences of following advice on legal matters from unqualified persons."); *In re Baker*, 85 A.2d 505, 514 (N.J. 1952) ("The amateur at law is as dangerous to the community as an amateur surgeon would be.").

[44] C.R.C.P. 232.2(b).

[45] C.R.C.P. 232.2(b)(1)-(5); *see also People v. Shell*, 148 P.3d 162, 171 (Colo. 2006) (holding that one who acts "in a representative capacity in protecting, enforcing, or defending the legal rights and duties of another and in counseling, advising and assisting that person in connection with these rights and duties" engages in the practice of law) (Colo. 2006) (citing *Denver Bar Ass'n v. Pub. Util. Comm'n*, 391 P.2d 467, 471 (Colo. 1964).

[46] Setting forth requirements for professional companies, including LLCs, organized by Colorado-licensed lawyers to render legal services in Colorado.

[47] C.R.C.P. 232.2(c)(1)-(3), (6)-(8); *see also Shell*, 148 P.3d at 171 ("[A]n unlicensed person engages in the unauthorized practice of law by offering legal advice about a specific case, drafting or selecting legal pleadings for another's use in a judicial proceeding without the supervision of an attorney, or holding oneself out as the representative of another in a legal action.").

The Parties' Arguments

The People contend that Respondent engaged in prohibited activities. They allege he advised Hart that she could resolve her grievances with Birch by acquiring the business via an "administrative mechanics lien" and then guided her through that process. The People also allege that Respondent selected the forms to complete the lien process and prepared each form using the financial information Hart had given him. In addition, the People assert that Respondent held himself out as having the necessary legal skills and certifications to prepare the lien as well as to investigate and pursue a class action against Birch. Moreover, they say, Respondent solicited fees to complete the services, which he purported to render through one of his businesses, Atman.

Respondent retorts that the People failed to prove he held himself out as a lawyer to Hart, claiming that her testimony shows she merely assumed he was a lawyer. In support, he notes that the nondisclosure agreement she signed identifies Atman as a paralegal service and Respondent as a paralegal investigator. Further, Respondent maintains that he assisted Hart with the lien as a friendly favor and merely gave her his opinions about the lien, albeit as a paralegal. Respondent contends that he did not thereby engage in the practice of law, drawing a parallel between his actions and the guidance exchanged between friends about a divorce or other legal problem. He also contends that the opinions he shared with Hart are protected under the First Amendment. Respondent further insists that his work on the lien did not amount to the practice of law because he acted solely as Hart's scrivener and did not sign any of the lien documents on her behalf, and because none of the documents were filed with a tribunal or required him to appear in court. Finally, Respondent does not dispute that he charged Hart a fee for investigating Birch, but he maintains that any additional payment from Hart was an investment in his Pretty Paws business.

Analysis

With respect to the "administrative mechanics lien," the PDJ has no trouble finding by a preponderance of the evidence eight instances in which Respondent engaged in the unauthorized practice of law.

The PDJ first considers whether Respondent impermissibly exercised legal judgment to select and prepare each of the seven lien documents on Hart's behalf. Unquestionably, the documents are legal in nature: they purport under legal authority to assert Hart's claim of a debt against T.S. and warn of legal consequences should T.S. fail to respond.[48] Hart credibly testified that Respondent chose which documents to use without her input and decided what to include in the documents based on information he solicited from her. Gale's testimony aligns with Hart's on those points, as she recalled that Respondent obtained the documents online, completed

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[48] *See Conway-Bogue Realty Inv. Co. v. Denver Bar Ass'n*, 312 P.2d 998, 1005 (Colo. 1957) (including liens among an enumerated list of "instruments which undertake either to define, set forth, limit, terminate, specify, claim, or grant legal rights") (citation omitted).

them, and provided them to Hart. Respondent does not dispute that he provided the documents to Hart but argues he completed the documents as a mere scrivener.

But Respondent did not present evidence to support his scrivener defense. To the contrary, Respondent rebuffed Hart's offer to complete the lien documents, telling Hart that he would "handle" the process. Consistent with Respondent's promise to handle the process, the documents themselves reflect a large degree of preparation: the documents' captions and much of the text are specific to Respondent's matter, and two of the documents—the certificate of debt and the certificate of default—contain detailed, case-specific content.

In sum, the PDJ concludes that Respondent impermissibly exercised legal judgment to select and prepare the seven lien documents. For each document, the PDJ finds that Respondent engaged in the unauthorized practice of law.

A preponderance of the evidence also shows that Respondent exercised legal judgment, albeit meretricious, to render legal advice to Hart about the overall lien process, including the eight steps of filing suit. Respondent does not dispute Hart's account that he suggested she could use the lien to collect debts owed to her and to achieve her goal of acquiring Birch. In addition, he guided Hart concerning legal issues throughout the lien process. For instance, he advised Hart that her termination from Birch would be the "trigger" to initiate the lien process, and he instructed Hart on finalizing and serving each of the lien documents. Respondent also counseled Hart on ancillary legal issues by assuring her that Birch's owners would not initiate a similar action against her and by urging Hart to consider selling T.S.'s debt to a collections agency.

The PDJ disagrees that Respondent merely shared his opinions with Hart or intended that Hart take the lien documents to a lawyer. The evidence showing that Respondent steered the lien process while Hart played a largely passive role dispel those notions. And because Respondent's conduct with respect to the lien was violative, the PDJ disagrees that First Amendment concerns are implicated.[49]

In short, the evidence establishes that Respondent provided Hart with legal advice with respect to using and implementing the "administrative mechanics lien," thereby engaging in an eighth instance of the unauthorized practice of law.[50]

The PDJ next addresses whether Respondent solicited fees for legal services. Respondent does not deny that he charged Hart the $10,500.00 fee to investigate Birch, but he disputes that

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[49] *See Shell*, 148 P.3d at 173 ("In general, Colorado's ban on the unauthorized practice of law does not implicate the First Amendment because [the ban] is directed at *conduct,* not *speech*." (emphasis in original).

[50] *See Conway-Bogue*, 312 P.3d at 1005-06 ("A person who gives legal advice to those for whom he draws instruments, or holds himself out as competent to do so, does work of a legal nature, when the instruments he prepares either define, set forth, limit, terminate, specify, claim or grant legal rights.") (citation omitted).

he offered to provide legal services in connection with that matter. The PDJ heard credible testimony that Respondent discussed taking legal action against Birch in the meeting with Hart, Ortiz, and Hawkins. In addition, the nondisclosure agreement as well as the unsigned representation agreement reflect that Respondent, through Atman, agreed to exercise legal judgment to determine whether civil or criminal remedies were available to Birch residents. The PDJ thus finds that Respondent charged Hart a fee for legal services in that matter.

With respect to the lien, the preponderance of the evidence establishes that Respondent charged Hart for his work. Hart testified that she paid Respondent for his services related to the lien on November 12, 2024. Hart's bank records show a $10,000.00 transaction to Pure Happiness on that date. In addition, Hart's text on December 3, 2024, reflects that she had incurred $20,000.00 in legal expenses by that date, and there is no suggestion that Respondent disputed that figure at the time.

Respondent did not offer any document evidence to support Gale's testimony that Hart gave Respondent $10,000.00 as a business investment or to simply use as he wished. Without such supporting evidence, the PDJ is unable to credit Gale's testimony.

In sum, the PDJ finds that Respondent impermissibly solicited fees for legal services through Atman, charging Hart a total of $20,500.00.

Finally, the PDJ addresses whether Respondent impermissibly held himself out as capable or authorized to practice law. The PDJ answers this question in the affirmative, as the Respondent at least impliedly represented to Hart that he was a lawyer or could provide legal services. Hart credibly testified that Respondent emphasized his legal credentials when pitching the lien process, leading her to believe that he was authorized to assist her with the lien. Hart particularly noted Respondent's business card, which tacitly evokes the practice of law without affirmatively identifying Respondent as a paralegal. In short, Respondent leveraged his legal credentials while offering de facto legal services to Hart, inducing her to believe that he was authorized to render those services. The PDJ thus finds that Respondent at least impliedly held himself out as authorized to practice law.

Respondent's defenses are unavailing. That he never told Hart that he was a lawyer is not material, given the finding that he impliedly held himself out as authorized to practice law.[51] And though the nondisclosure agreement Hart signed identifies Respondent as a "paralegal investigator," that evidence is outweighed by Respondent's intentional failure to correct Hart's inaccurate references to his status as a lawyer. Even assuming for the sake of argument that Respondent clearly communicated to Hart his status as a paralegal and ensured that she understood he is not a lawyer, Respondent's unsupervised actions constituted impermissible and unauthorized legal practice. Finally, Respondent's argument that his conduct did not amount to

[51] *See also*, C.R.C.P. 232.2(d) (listing a respondent not holding themself out as authorized to practice law as an invalid defense).

practicing law because the liens were filed administratively and not before a tribunal fails to sway the PDJ, as no such distinction is made under C.R.C.P. 232.2(b)-(c).[52]

IV. INJUNCTION, FINE, RESTITUTION, AND COSTS

The People ask the PDJ to recommend that the Colorado Supreme Court enjoin Respondent from the unauthorized practice of law; order Respondent to pay costs of this proceeding; fine Respondent $1,500.00 for each instance of the unauthorized practice of law; and order Respondent to pay restitution to Hart. Respondent opposes each of the People's requests.

C.R.C.P. 232.14 sets forth the bounds of relief in an unauthorized practice of law matter. That section provides that a respondent found to have engaged in the unauthorized practice of law may be enjoined from the practice of law, assessed costs of the proceeding, and fined between $250.00 to $1,500.00 for each incident of the unauthorized practice of law. In assessing fines, the Colorado Supreme Court previously has examined whether a respondent's actions were "malicious or pursued in bad faith."[53]

Based on the PDJ's conclusion that Respondent engaged in the unauthorized practice of law, the PDJ recommends that the Colorado Supreme Court enjoin Respondent from the unauthorized practice of law to protect Colorado's residents.

The PDJ also recommends that the Colorado Supreme Court impose a $1,500.00 fine on Respondent for the following eight instances of the unauthorized practice of law, for a total fine of $12,000.00:[54]

- Advising Hart on using and implementing the "administrative mechanics lien"
- Selecting and preparing on Hart's behalf the "Notice to Collect a Debt *Within the Administrative Remedy – State of Colorado*, First Notice and Demand for Payment"
- Selecting and preparing on Hart's behalf the "2nd Notice to Collect – Opportunity to Cure"

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[52] *See*, *e.g.*, *People v. Love*, 775 P.2d 26 (Colo. 1989) (finding nonlawyer engaged in the unauthorized practice of law for conduct including preparing a will, preparing a "power of attorney-in-fact," preparing a "durable general power of attorney," and preparing a quit claim deed).

[53] *People v. Adams*, 243 P.3d 256, 267-68 (Colo. 2010).

[54] The People ask the PDJ to recommend additional fines based on alleged instances of the unauthorized practice of law in the text message exchanged with Hart. PDJ declines to do so, as the People did not allege that conduct in the petition. The PDJ will not engage in factfinding on the matter because Respondent was not on notice of those allegations.

- Selecting and preparing on Hart's behalf the "Certificate of Default, State of Colorado, Notary Public Officer, Weld County, Colorado"

- Selecting and preparing on Hart's behalf the "1st Notice and Demand for Payment"

- Selecting and preparing on Hart's behalf the "2nd Notice and Demand for Payment"

- Selecting and preparing on Hart's behalf the "3rd and Final Notice and Demand for Payment"

- Selecting and preparing on Hart's behalf the "Notice of Adjudication and Final Default within the Private Administration of an Attempt to Collect Debt"

The PDJ recommends the maximum fine due to the evidence of Respondent's calculated efforts to leverage his purported credentials and experience to cultivate the impression that he is authorized to practice law and charge fees for legal services. For instance, Respondent's purported representation agreement offered de facto legal services, even while it disclaimed that Respondent was giving legal advice and advised Hart to seek counsel "for litigation purposes."[55] In addition, the design of Respondent's business card evokes the practice of law without affirmatively identifying him as a paralegal. The effect of these tactics in this case was clear: Hart, Ortiz, and Hawkins believed Respondent was a lawyer. Though no evidence shows that he ever affirmatively held himself out as a lawyer, ample evidence demonstrated that he avoided telling Hart that he was *not* a lawyer and that he intentionally failed to correct her misimpressions on that score.[56] While Respondent's conduct strikes the PDJ as mercenary rather than malicious, Respondent's calculated tact and his refusal to recognize the wrongful nature of his conduct shows bad faith and sparks concern that he may continue to engage in the unauthorized practice of law, posing a risk to future consumers of legal services.

In sum, the PDJ recommends the maximum fine, as the PDJ considers Respondent's actions to be more egregious than instances of the unauthorized practice of law undertaken by actors who unintentionally waded too deep into legal waters.[57]

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[55] The PDJ need not determine that Hart signed the document to reach this finding.

[56] *C.f. Matter of Storey*, 2022 CO 48 ¶ 67 (finding that omission of critical facts amounts to dishonesty).

[57] *Compare Adams*, 243 P.3d at 259-60, 267-68 (declining to impose a fine after finding that the respondent did not engage in the unauthorized practice of law in bad faith or with a malicious intent because he had wrongly concluded that he could legally receive assignments of debts and pursue claims for those debts in court) *with Unauthorized Practice of Law Comm. v. Prog*, 761 P.2d 1111, 1113-16 (Colo. 1988) (imposing a fine of $7,178.62 after the respondent engaged in conduct that included drafting frivolous and groundless pleadings attacking defendants, including judges and public officials, named in the civil matter in which the pleadings were filed).

In recommending restitution in this case, the PDJ considers three pieces of evidence. First, documents show that Hart paid Respondent, via Pure Happiness, $10,000.00 on November 12, 2024, and $10,500.00 on November 18, 2024, for a total of $20,500.00. Second, Hart testified that she invested $5,000.00 to acquire shares in Respondent's business, Pretty Paws, and texts she exchanged with Respondent and Gale bear that out. And third, Hart testified that she paid Respondent a total of $25,500.00, with $20,500.00 of that figure applied towards legal services.[58] Accordingly, the PDJ finds that restitution in the amount of $20,500.00 is warranted.[59]

Finally, though the People have not submitted a statement of costs, the PDJ recommends that Respondent be assessed the reasonable costs of this proceeding, should the Colorado Supreme Court allow the People an opportunity to submit a statement.

V. RECOMMENDATION

Under C.R.C.P. 232.17(d), the PDJ **RECOMMENDS** that the Colorado Supreme Court **ENJOIN** Respondent **MICHAEL D. REA** from the unauthorized practice of law, as defined in C.R.C.P. 232.2(b)-(c). The PDJ also **RECOMMENDS** that the Colorado Supreme Court **ORDER** Respondent to pay combined **FINES** of **$12,000.00** for the eight instances of his unauthorized practice of law, **RESTITUTION** of **$20,500.00** to **CLAUDIA HART**, and the costs of this proceeding, all to be paid within thirty-five days of the date of its order.

DATED THIS 3rd DAY OF JUNE, 2026.

BRYON M. LARGE
PRESIDING DISCIPLINARY JUDGE

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[58] These payments were made before any discussion of Hart's investment in Pretty Paws occurred.
[59] In the People's petition, they did not specify an exact restitution amount. In their hearing brief, the People argued for $20,000.00 in restitution, though explained that $20,500.00 was the amount Hart paid for Respondent's services, which is supported in the record. The PDJ thus finds the amount listed in the hearing brief is a typo.