

**ALASKA STATE LEGISLATURE  
HOUSE JUDICIARY STANDING COMMITTEE**

May 7, 2025

1:07 p.m.

**MEMBERS PRESENT**

Representative Andrew Gray, Chair  
Representative Ted Eischeid  
Representative Genevieve Mina  
Representative Jubilee Underwood

**MEMBERS ABSENT**

Representative Chuck Kopp, Vice Chair  
Representative Sarah Vance  
Representative Mia Costello

**COMMITTEE CALENDAR**

HOUSE BILL NO. 211

"An Act relating to insurance regulation of prepaid legal plans."

- HEARD & HELD

HOUSE BILL NO. 159

"An Act relating to the removal of unlawful occupants from residential real property; relating to the crimes of trespass, forgery, and deceptive business practices; and amending Rules 82 and 85(a), Alaska Rules of Civil Procedure."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 211

SHORT TITLE: INSURANCE: PREPAID LEGAL PLANS

SPONSOR(S): REPRESENTATIVE(S) JIMMIE

04/30/25	(H)	READ THE FIRST TIME - REFERRALS
04/30/25	(H)	JUD, L&C
05/07/25	(H)	JUD AT 1:00 PM GRUENBERG 120

BILL: HB 159

SHORT TITLE: PROPERTY POSSESSION AND PROPERTY CRIMES

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

03/26/25 (H) READ THE FIRST TIME - REFERRALS  
03/26/25 (H) JUD, L&C  
04/23/25 (H) JUD AT 1:00 PM GRUENBERG 120  
04/23/25 (H) Heard & Held  
04/23/25 (H) MINUTE (JUD)  
05/07/25 (H) JUD AT 1:00 PM GRUENBERG 120

#### **WITNESS REGISTER**

REPRESENTATIVE NELLIE UNANGIQ JIMMIE  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented HB 211.

KEENAN MILLER, Staff  
Representative Nellie Unangiq Jimmie  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Gave opening remarks on HB 211 on behalf of Representative Jimmie, prime sponsor.

MARK NELMS, Assistant General Counsel  
LegalShield  
Ada, OK

**POSITION STATEMENT:** Gave invited testimony on HB 211.

JOE LOMBINO, Managing Partner  
Lombino Martino  
Tacoma, Washington

**POSITION STATEMENT:** Gave invited testimony during the hearing on HB 211.

LORI WING-HEIER, Director  
Division of Insurance  
Department of Commerce, Community & Economic Development  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions on HB 211.

#### **ACTION NARRATIVE**

[1:07:45 PM](#)

**CHAIR ANDREW GRAY** called the House Judiciary Standing Committee meeting to order at 1:07 p.m. Representatives Underwood, Mina, Eischeid, and Gray were present at the call to order.

**HB 211-INSURANCE: PREPAID LEGAL PLANS**

1:08:28 PM

CHAIR GRAY announced that the first order of business would be HOUSE BILL NO. 211, "An Act relating to insurance regulation of prepaid legal plans."

1:08:45 PM

REPRESENTATIVE NELLIE UNANGIQ JIMMIE, Alaska State Legislature, as prime sponsor, presented HB 211. She paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

House Bill 211 exempts prepaid legal plans from regulation as an insurance product.

It is hard to get legal services in Alaska, especially if you have fixed/limited income or live in a rural area. Pro bono and public services help to fill the gap, but access to justice remains a challenge.

A prepaid legal plan is like a subscription service for bar-accredited lawyers. For a monthly or annual fee, a subscriber can get help with anything on the plan's "menu" of legal services, like document review; will preparation; traffic tickets; legal advice and research; and a set number of hours of civil trial defense. These services are less expensive than hiring an attorney the traditional way, which often means paying large upfront costs.

Right now, prepaid legal plans are regulated as insurance. But there is no indemnification against financial loss, which is an important part of most health or auto insurance plans. The fees for a lawyer and the services a plan user gets are pre-set and limited.

House Bill 211 exempts prepaid legal plans from regulation as an insurance product and treat them like a subscription service. This removes a barrier for Alaskans that would use a prepaid legal plan to get help from a lawyer they would not be able to otherwise. Alaskans will still be able to file

complaints about an attorney's professional misconduct through the Alaska Bar Association.

I hope to earn your support for House Bill 211, which will make it easier for people across Alaska to get legal help. Please feel free to contact Keenan Miller in my office with questions. He may be reached at Keenan.Miller@akleg.gov or (907) 465-5141.

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KEENAN MILLER, Staff, Representative Nellie Unangiq Jimmie, Alaska State Legislature, on behalf of Representative Jimmie, prime sponsor, explained that prepaid legal plans have been on the market for 50 years. They can provide the same services as a lawyer for less money and encourage people to get legal advice before small issues become larger ones. If the bill were to pass, he said Alaskans would still be safe from unethical lawyers because there is a complaint process for bar accredited lawyers in Alaska through the Alaska Bar Association (ABA).

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MARK NELMS, Assistant General Counsel, LegalShield, explained that LegalShield itself does not provide legal services; instead, it offers legal plans that provide access to legal help. With a family legal plan, one could contact a provider law firm for consultation on any personal legal matter. The firm could review documents, write letters or make phone calls, and assist on wills or estate planning documents among other benefits. Importantly, the provider law firm model is a non-indemnity legal services plan, as LegalShield does not indemnify members for legal fees, reimbursements, or claims. He said the bill would bring clarity and modernization to the law and exempt modern non-indemnity legal claims from insurance. It would also align Alaska with the vast majority of other states and bring greater economic opportunity to the state, as independent sales associates sell legal plans in the state, which offers part-time meaningful income. Currently, these sales associates are required to have a license and pay fees to sell legal plans in Alaska, but the proposed legislation would remove that barrier. In addition, HB 211 would improve access to justice for those who cannot obtain an attorney. He commented on the Alaska Fairness and Access Commission and the gap in access to legal aid. He added that legal plans would offer legal assistance to Alaskans in every area of the state from remote to urban.

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REPRESENTATIVE MINA asked Mr. Nelms how companies like LegalShield would address the gap in legal services for Alaskans.

MR. NELMS shared that legal plan fills the gap between those who can afford an attorney and those who qualify for legal aide. Legal plans give access to provider law firms or individual attorneys for an affordable monthly subscription fee.

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REPRESENTATIVE UNDERWOOD asked how many LegalShield members are in Alaska now, and if the bill were to pass, how this type of business model would grow.

MR. NELMS reported that LegalShield has approximately 1,043 members in Alaska. He opined that the bill would help these services grow and address underserved areas in Alaska that lack attorneys.

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REPRESENTATIVE EISCHEID questioned the cost of the monthly subscription plan.

MR. NELMS responded that the plans range from \$29.95 for a family plan to \$59.95 for a more comprehensive plan. Small business plans are also offered, which cost \$49 per month.

CHAIR GRAY asked whether this work is always done remotely.

MR. NELMS said there are opportunities for in-person legal work or for council to appear in court. There are also certain trial defense benefits for cases such as landlord/tenant disputes.

CHAIR GRAY noted that there are many places in Alaska that cannot be reached by road.

[1:24:57 PM](#)

REPRESENTATIVE UNDERWOOD questioned the number of businesses with similar business models that offer these services in Alaska.

MR. NELMS said he was not familiar with many businesses that offer the same services in Alaska.

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REPRESENTATIVE JIMMIE listed a number of companies that offer legal plans in Alaska: MetLife, ARA, and Lombino Martino Professional Services Corporation, which is a provider firm for LegalShield.

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JOE LOMBINO, Managing Partner, Lombino Martino, shared background on Lombino Martino, which is the Alaska LegalShield provider law firm based in Washington. He explained that 3 of the firm's 17 attorneys are licensed in Alaska and there are 17 customer services representatives who also assist with calls. He reported that in 2024, Lombino Martino consulted with 1,335 individuals or businesses in Alaska and drafted 43 wills for Alaskans. He shared how prepaid legal plans work and said the vast majority of callers sit somewhere in between being able to afford an attorney and those who might qualify for legal aide. He said prepaid legal plans allow people to call in and get their questions answered without paying astronomical hourly rates.

[1:33:09 PM](#)

REPRESENTATIVE EISCHEID asked whether the legal plans are monthly or whether an annual subscription is required.

MR. LOMBINO said LegalShield handles all the plan pricing. He emphasized that his firm has nothing to do with the cost regardless of the difficulty of the case. He emphasized that the two companies do not interface.

CHAIR GRAY asked whether Mr. Lombino is a member of the ABA.

MR. LOMBINO answered yes.

CHAIR GRAY questioned the recourse for malpractice.

MR. LOMBINO said his attorneys are bound by the ABA rules of professional conduct. He said attorneys could be disbarred if a complaint were levied to the bar and they broke the rules of professional conduct; however, he assured the committee that his firm has never received a complaint.

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CHAIR GRAY expressed concern that the legal plans are fair and that clients are getting their money's worth.

MR. LOMBINO said complaints can be filed with LegalShield if members are unhappy with council. Members can also call Lombino Martino to make a formal or informal complaint if they didn't "click" with their attorney, for example, and the complaint will be resolved.

[1:40:32 PM](#)

REPRESENTATIVE UNDERWOOD asked, if the bill were to pass, whether these companies would benefit financially.

MR. LOMBINO answered yes, profits to LegalShield and Lombino Martino would increase, as would access to legal services in rural Alaska. He reiterated that these non-indemnity legal plans would not provide for reimbursement for any expense incurred by the member and would not provide for indemnification or malice when there is a legal issue, which differentiates them from insurance.

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CHAIR GRAY asked whether the state supports the bill.

[1:43:41 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community & Economic Development (DCCED), said the division is neutral on the bill; however, some of the testimony provided today is concerning based on an opinion from the Attorney General's Office recommending that LegalShield not do business in Alaska until its clarified whether they are included or excluded from Title 21.

CHAIR GRAY asked whether legal plans should be regulated as insurance.

MS. WING-HEIER said that is a policy call for the legislature. She conveyed that in the past, the legislature has requested direct healthcare agreements, such as air ambulance, to be taken under Title 21.

CHAIR GRAY sought to confirm that there's precedence for taking something that was insurance and making it something else.

MS. WING-HEIER answered, "Correct."

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REPRESENTATIVE MINA spoke to consumer protection and shared her understanding that the Consumer Protection Unit is one path of recourse for members. She said it would be helpful to hear from them at the next bill hearing.

[1:46:24 PM](#)

The committee took a brief at-ease at 1:46 p.m.

[1:46:32 PM](#)

CHAIR GRAY opened public testimony on HB 211. After ascertaining that no one wished to testify, he closed public testimony and announced that the bill would be held over.

[1:47:02 PM](#)

The committee took a brief at-ease at 1:47 p.m.

**HB 159-PROPERTY POSSESSION AND PROPERTY CRIMES**

[1:47:15 PM](#)

CHAIR GRAY announced that the final order of business would be HOUSE BILL NO. 159, "An Act relating to the removal of unlawful occupants from residential real property; relating to the crimes of trespass, forgery, and deceptive business practices; and amending Rules 82 and 85(a), Alaska Rules of Civil Procedure."

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CHAIR GRAY opened public testimony on HB 159. After ascertaining that no one wished to testify, he closed public testimony.

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CHAIR GRAY announced that HB 159 was held over.

[1:48:08 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 1:48 p.m.