

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
ALABAMA, NORTHEASTERN DIVISION

Jacob Spencer v. State Farm Fire and Casualty Company

Spencer · No. 5:26-cv-34-HDM · Decided June 17, 2026

SUMMARY

The United States District Court for the Northern District of Alabama granted State Farm’s partial motion to dismiss claims arising from its handling of Jacob Spencer’s insurance claim. Applying Alabama law, the court dismissed the negligence and wantonness claims with prejudice because Alabama does not recognize claims for negligent or wanton insurance-claim handling. The court dismissed the misrepresentation claim without prejudice because it was not pleaded with Rule 9(b) particularity and was intertwined with the breach-of-contract claim.

CASE DETAILS

COURT	United States District Court for the Northern District of Alabama, Northeastern Division
WRITING FOR THE COURT	Harold D. Ze III
JURISDICTION	United States District Court for the Northern District of Alabama
DECIDED	June 17, 2026
DOCKET	5:26-cv-34-HDM
DISPOSITION	other
PROCEDURAL POSTURE	Defendant's partial motion to dismiss under Federal Rule of Civil Procedure 12(b)(6) in an action removed from Alabama state court.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true, views them in the light most favorable to the nonmoving party, and determines whether the complaint states a claim that is plausible on its face. Fraud-based claims must satisfy Rule 9(b)'s particularity requirement.
PRECEDENTIAL VALUE	Unknown; memorandum opinion of a federal district court with no reporter or neutral citation in the source.

TOPICS

- motions to dismiss
- insurance coverage
- breach of contract
- fraud
- negligence

PRACTICE AREAS

insurance

civil procedure

contracts

torts

QUESTIONS PRESENTED

1. Whether Alabama law recognizes negligence or wantonness claims based on an insurer's handling of an insurance-benefits claim.
2. Whether Spencer's misrepresentation claim was pleaded with the particularity required by Federal Rule of Civil Procedure 9(b).
3. Whether Spencer's misrepresentation claim was impermissibly intertwined with and indistinct from his breach-of-contract claim.

HOLDINGS

1. Alabama law does not recognize causes of action for negligent or wanton handling of insurance claims; Spencer's negligence and wantonness claims therefore failed as a matter of law.
2. Spencer's misrepresentation claim was insufficiently pleaded because it did not state the circumstances of the alleged fraud with particularity, including where the representation was made, who made it, the context and manner of the representation, and how it misled him.
3. The misrepresentation claim was impermissibly intertwined with and indistinct from the breach-of-contract claim because Spencer alleged no representation or conduct independent from State Farm's alleged failure to perform its contractual obligations.

KEY QUOTATIONS

"The "appropriate inquiry at this stage of the litigation [is] whether the allegations of the complaint plausibly indicate that [the plaintiff] has a claim for relief," not whether the plaintiff responded to the defendant's arguments for dismissal."

"Spencer's negligence and wantonness claims must be dismissed because Alabama law does not recognize a cause of action for negligent or wanton claim handling."

"Spencer's misrepresentation claim likewise fails and must be dismissed because it is impermissibly intertwined with his breach of contract claim and is not pleaded with the particularity required by Rule 9(b)."

FACTUAL BACKGROUND

Spencer insured a residence and three barns under a State Farm policy providing coverage for wind or hail damage to the roofs and resulting interior water damage. After Spencer reported a leaking roof, State Farm's adjuster found hail damage and State Farm offered specified amounts for the residence and one barn, but Spencer alleged that State Farm used incorrect measurements and failed to pay the full amount of his independent repair estimate. Spencer's complaint characterized the claim handling and alleged failure to pay as negligence, breach of contract, wantonness, and misrepresentation.

PROCEDURAL HISTORY

Spencer sued State Farm in the Circuit Court of Marshall County, Alabama, asserting negligence, breach of contract, wantonness, and misrepresentation claims arising from State Farm's handling of an insurance claim. State Farm removed the action to the Northern District of Alabama and moved to dismiss the negligence, wantonness, and misrepresentation counts. Spencer did not file a response, but the court considered the claims on their merits and granted the partial motion to dismiss.

DISPOSITION

other

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Wiersum v. U.S. Bank, N.A., 785 F.3d 483, 485 (11th Cir. 2015)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Watts v. Fla. Int'l Univ., 495 F.3d 1289, 1295 (11th Cir. 2007)
- Miyahira v. Vitacost.com, Inc., 715 F.3d 1257, 1265 (11th Cir. 2013)
- Skinner v. Switzer, 562 U.S. 521, 530 (2011)
- Ziemba v. Cascade Int'l, Inc., 256 F.3d 1194, 1202 (11th Cir. 2001)
- U.S. ex rel. Clausen v. Lab'y Corp. of Am., 290 F.3d 1301, 1310 (11th Cir. 2002)
- Kervin v. S. Guar. Ins. Co., 667 So. 2d 704, 706 (Ala. 1995)
- U.S. Liab. Ins. Grp. v. Miller, No. 5:08-cv-79, 2008 WL 11382029, at *2 (N.D. Ala. May 5, 2008)
- Pate v. Rollison Logging Equip., Inc., 628 So. 2d 337 (Ala. 1993)
- Fed. Home Loan Corp. v. Brooks, No. 2:14-cv-262, 2014 WL 5410236, at *4 (N.D. Ala. Oct. 23, 2014)
- Jenkins v. State Farm Fire & Cas. Co., No. 2:11-cv-350, 2011 WL 3359996, at *2 (M.D. Ala. Aug. 4, 2011)
- U.S. Diagnostic, Inc. v. Shelby Radiology, P.C., 793 So. 2d 714, 720–21 (Ala. 2000)
- Bruce v. Cole, 854 So. 2d 47, 58 (Ala. 2003)
- Brown-Marx Assocs., Ltd. v. Emigrant Sav. Bank, 703 F.2d 1361, 1370–71 (11th Cir. 1983)
- McAdory v. Jones, 71 So. 2d 526, 528 (Ala. 1954)
- C & C Prods., Inc. v. Premier Indus. Corp., 275 So. 2d 124, 130 (Ala. 1972)
- Hunt Petroleum Corp. v. State, 901 So. 2d 1, 10–11 (Ala. 2004) (Houston, J., concurring)
- Muncher v. NCR Corp., No. 2:16-cv-782, 2017 WL 2774805, at *16–17 (N.D. Ala. June 27, 2017)
- 21st Mortg. Corp. v. Robinson, 429 So. 3d 381, 389 (Ala. 2024), reh'g denied (Apr. 11, 2025)
- P & S Bus., Inc. v. S. Cent. Bell Tel. Co., 466 So. 2d 928, 930 (Ala. 1985)
- Killough v. Monkress, No. 5:17-cv-247, 2018 WL 3641859, at *5–6 (N.D. Ala. Aug. 1, 2018)
- Boyd v. Peet, 249 Fed. App'x 155, 157 (11th Cir. 2007) (per curiam)
- Logan v. Hughes, No. 2:24-cv-1348, 2025 WL 2432204, at *9 n.9 (N.D. Ala. Aug. 22, 2025)
- J & M Assocs., Inc. v. Romero, 488 F. App'x 373, 376 (11th Cir. 2012)
- Erie R.R. Co. v. Tompkins, 304 U.S. 64, 78 (1938)

- Prickett v. BAC Home Loans, 946 F. Supp. 2d 1236, 1242 (N.D. Ala. 2013)
- Coal. for the Abolition of Marijuana Prohibition v. City of Atlanta, 219 F.3d 1301, 1326 (11th Cir. 2000)
- McMaster v. United States, 177 F.3d 936, 940–41 (11th Cir. 1999)

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