SUPREME COURT OF MISSOURI

Steele v. Shelter Mutual Insurance Co.

400 S.W.3d 295 (Mo. banc 2013) · Decided May 28, 2013

SUMMARY

The Missouri Supreme Court affirmed summary judgment for Shelter Mutual Insurance Company, holding that a child passively riding as a passenger in a daycare van was not an insured under the policy's uninsured motorist provisions. The court concluded that Missouri's uninsured motorist statute and Motor Vehicle Financial Responsibility Law require coverage for persons insured under the liability policy, including users whose vehicle use may impose legal liability, but do not mandate coverage for passive passengers without a realistic right of control. Because the policy expressly defined use as physically controlling or attempting to control the vehicle, the child was not covered.

CASE DETAILS

COURT	Supreme Court of Missouri
WRITING FOR THE COURT	Laura Denver Stith; Richard B. Teitelman; George W. Draper III; Zel M. Fischer; Mary R. Russell; Patricia Breckenridge; William Ray Price Jr.; Michael A. Wolff; Ronald L. Holliger
JURISDICTION	Missouri
DECIDED	May 28, 2013
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a grant of summary judgment for the insurer in an action seeking uninsured-motorist benefits for injuries to a passenger in a daycare van.
STANDARD OF REVIEW	Summary judgment is reviewed de novo. The record is viewed in the light most favorable to the nonmoving party, who receives the benefit of all reasonable inferences from the record.
PRECEDENTIAL VALUE	Published binding precedent of the Supreme Court of Missouri
PARTIES	Charzetta Steele, on behalf of her son v. Shelter Mutual Insurance Company

TOPICS

uninsured motorist · insurance coverage · statutory interpretation · plain meaning rule · negligence

PRACTICE AREAS

Insurance law · Motor vehicle insurance · Uninsured motorist coverage · Summary judgment

QUESTIONS PRESENTED

1. Whether Missouri's uninsured-motorist statute requires coverage for a passenger who is not an insured under the vehicle's liability policy.
2. Whether Missouri's Motor Vehicle Financial Responsibility Law requires a liability policy to cover a passive passenger as a user of the vehicle.
3. Whether the child was an insured under Shelter's policy despite the policy's express definition of use as physically controlling or attempting to physically control the vehicle.
4. Whether summary judgment for Shelter was proper.

HOLDINGS

1. The child was not an insured under the policy because he was neither within Category A nor using the vehicle within Category B's definition of use. As a passive passenger, he did not physically control or attempt to physically control the van.
2. Section 379.203 requires uninsured-motorist coverage for persons insured under the liability policy who are legally entitled to recover damages from the owner or operator of an uninsured motor vehicle; it does not require coverage for every passenger regardless of whether the passenger is insured under the liability policy.
3. The MVFRL requires coverage for owners, operators, and users only to the extent that Missouri law imposes liability on them for damages arising from ownership, maintenance, or use of the vehicle. A passenger is not a required insured merely by being present in the vehicle; liability based on passenger use requires a realistic right of control.
4. Summary judgment for Shelter was proper because the undisputed policy language and facts established that the child was not an insured and that neither the UM statute nor the MVFRL required coverage for him.

KEY QUOTATIONS

> *"This unambiguously means he was not a user of the van as the term "use" is defined in the policy, therefore, he was not an insured under the terms of the policy in and of themselves."* (298)

> *"This Court is not free to broaden that coverage; that matter is for the legislature."* (301)

> *"Users are liable only if they are an owner or their use gives them a realistic right of control of the vehicle."* (302)

FACTUAL BACKGROUND

On November 3, 2009, an uninsured, speeding motorist struck the rear of a Bright Start Academy daycare van. Steele's young son was a passenger in the van and sustained serious injuries. Shelter had issued a policy covering the van, but the policy defined an insured user as a person physically controlling or attempting to physically control the vehicle. The child was only a passive passenger and had no alleged right or ability to control the van.

PROCEDURAL HISTORY

After the accident, Steele filed a petition on behalf of her son against Shelter, alleging that he was an insured under the uninsured-motorist provisions of Shelter's policy covering the daycare van. Shelter moved for summary judgment, arguing that the child was not an insured or a user under the policy. The trial court granted Shelter judgment, and the Supreme Court of Missouri granted transfer after the court of appeals issued an opinion. The Supreme Court affirmed.

DISPOSITION

affirmed

CASES CITED

- ITT Commercial Fin. Corp. v. Mid-Am. Marine Supply Corp., 854 S.W.2d 371, 376 (Mo. banc 1993)
- Krombach v. Mayflower Ins. Co., 827 S.W.2d 208, 210 (Mo. banc 1992)
- Shepherd v. American States Ins. Co., 671 S.W.2d 777 (Mo. banc 1984)
- Stahlberg v. Travelers Indem. Co., 568 S.W.2d 79, 85 (Mo. App. 1978)
- Jarrett v. Jones, 258 S.W.3d 442, 448 (Mo. banc 2008)
- Bach v. Winfield-Foley Fire Prot. Dist., 257 S.W.3d 605 (Mo. banc 2008)
- State ex rel. Henley v. Bickel, 285 S.W.3d 327, 330, 332 (Mo. banc 2009)
- Francis-Newell v. Prudential Ins. Co. of Am., 841 S.W.2d 812 (Mo. App. 1992)
- Byers v. Shelter Mutual Ins. Co., 271 S.W.3d 39 (Mo. App. 2008)
- Lee v. Grinnell Mut. Reinsurance Co., 646 N.W.2d 403 (Iowa 2002)
- Waltz v. Cameron Mut. Ins. Co., 626 S.W.2d 340, 344 (Mo. App. 1975)
- Pope v. Stotts, 712 S.W.2d 434, 437 (Mo. App. 1986)
- First Sec. Bank of Searcy v. Doe, 297 Ark. 254, 760 S.W.2d 863, 864 (1988)
- Kaysen v. Fed. Ins. Co., 268 N.W.2d 920, 925 (Minn. 1978)
- Radil v. Nat'l Union Fire Ins. Co. of Pittsburgh, Pa., 207 P.3d 849, 856 (Colo. Ct. App. 2008)
- Estate of Sullivan v. Allstate Ins. Co., 841 N.E.2d 1220, 1223 (Ind. App. 2006)
- American States Ins. Co. v. Farm Bureau Ins. Co. of Nebraska, 7 Neb. App. 507, 583 N.W.2d 358, 363 (1998)
- Whitcomb v. Peerless Ins. Co., 141 N.H. 149, 679 A.2d 575, 577 (1996)
- Galloway v. Vaughn, 2011 WL 345960 (Tenn. Ct. App. Feb. 2, 2011)