

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
ILLINOIS

Union Pacific Railroad Company v. Illinois Mine Subsidence
Insurance Fund

Union Pacific · No. 3:20-cv-03281 · Decided December 22, 2025

SUMMARY

The United States District Court for the Central District of Illinois resolves cross-motions for summary judgment in a dispute concerning mine subsidence claims and the Illinois Mine Subsidence Insurance Fund’s litigation against Union Pacific Railroad Company. The court holds that the Fund acquires a claim upon receiving adequate documentation that an insurer properly paid the claim and is entitled to reimbursement. It further holds that claim preclusion bars claims acquired before judgments in prior litigation when the parties and claims satisfy the applicable preclusion requirements.

CASE DETAILS

COURT	United States District Court for the Central District of Illinois
WRITING FOR THE COURT	Sue E. Myerscough
JURISDICTION	United States District Court for the Central District of Illinois
DECIDED	December 22, 2025
DOCKET	3:20-cv-03281
DISPOSITION	other
PROCEDURAL POSTURE	Cross-motions for summary judgment in an action for declaratory and injunctive relief concerning the preclusive effect of prior litigation involving mine-subsidence claims.
STANDARD OF REVIEW	Summary judgment is proper when no genuine dispute exists as to any material fact and the movant is entitled to judgment as a matter of law. The court construes facts and reasonable inferences in favor of the nonmoving party and may not make credibility determinations or weigh evidence. Whether to grant a permanent injunction is within the court's discretion, but the plaintiff must establish actual success on the merits, irreparable injury, inadequate legal remedies, that equitable relief is warranted, and that the public interest would not be disserved.
PRECEDENTIAL VALUE	unknown

TOPICS

summary judgment

res judicata

declaratory judgment

injunctions

insurance

PRACTICE AREAS

civil procedure

insurance

subrogation

declaratory relief insurance

remedies

QUESTIONS PRESENTED

1. When does the Illinois Mine Subsidence Insurance Fund acquire a mine-subsidence claim for purposes of the prior judgment and preclusion analysis?
2. Does claim preclusion bar the Fund from litigating claims against Union Pacific that it acquired before entry of judgment in the 2017 case?
3. Is Union Pacific entitled to permanent injunctive relief against the Fund's litigation of the Hill claim?

HOLDINGS

1. For purposes of the Court's prior order, the Fund acquires a mine-subsidence claim when it receives adequate documentation under the Illinois Mine Subsidence Act showing that the insurer properly paid the claim and is entitled to reimbursement by the Fund.
2. Claim preclusion bars the Fund from litigating against Union Pacific any claims the Fund acquired before entry of judgment in Illinois Mine Subsidence Insurance Fund v. Union Pacific Railroad Co., No. 17-CV-3199, 2019 WL 4015883 (C.D. Ill. Aug. 26, 2019).
3. Union Pacific was not entitled to permanent injunctive relief because it did not allege or establish that it suffered or would likely suffer irreparable injury; the costs of ongoing litigation in Hill were insufficient.

KEY QUOTATIONS

"Therefore, the Court finds that, with regard to its March 31, 2022 Order, the Fund "acquires" a claim upon receiving adequate documentation under the Act that the insurer has properly paid the claim and is entitled to reimbursement by the Fund." (Section IV.A)

"The Court issues a declaratory judgment that claim preclusion bars the Fund from litigating any claims the Fund acquired against Union Pacific before the judgment issued in Illinois Mine Subsidence Insurance Fund v. Union Pacific Railroad Co., No. 17-CV-3199, 2019 WL 4015883 (C.D. Ill. Aug. 26, 2019)." (Section IV.B)

"In sum, Union Pacific does not demonstrate "that it has suffered an irreparable injury" as required to seek a permanent injunction." (Section IV.C.2)

FACTUAL BACKGROUND

The Illinois Legislature created the Illinois Mine Subsidence Insurance Fund to reinsure certain mine-subsidence claims covered by Illinois property-insurance policies. Superior Coal Company operated mines in Illinois, was dissolved in 1957, and its parent, Chicago and North Western Railway Company, later merged into Union Pacific. The Fund litigated earlier mine-subsidence claims against Union Pacific in Gillespie and in a 2017 federal case, where Union Pacific prevailed after the court rejected alter-ego and de facto-merger theories. The

Fund later pursued the Hill claim, involving a 2015 subsidence event and a November 2018 reimbursement payment, which was the only claim acquired before the 2019 judgment whose statute of limitations had not run.

PROCEDURAL HISTORY

Union Pacific filed the action on October 20, 2020, later filing a Second Amended Complaint with three counts. The Court dismissed Count II and the corresponding portion of Count III; the Seventh Circuit dismissed Union Pacific's interlocutory appeal for lack of appellate jurisdiction. The parties then filed cross-motions for summary judgment on the remaining portions of Counts I and III. The Court granted and denied each motion in part, entered declaratory relief on claim preclusion and claim acquisition, denied permanent injunctive relief, directed entry of judgment, and closed the case.

DISPOSITION

other

CASES CITED

- Carroll v. Lynch, 698 F.3d 561, 564 (7th Cir. 2012)
- Woodruff v. Mason, 542 F.3d 545, 550 (7th Cir. 2008)
- Paz v. Wauconda Healthcare & Rehabilitation Center, LLC, 464 F.3d 659, 664 (7th Cir. 2006)
- Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986)
- Modrowski v. Pigatto, 712 F.3d 1166, 1168 (7th Cir. 2013)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 255 (1986)
- Protective Life Insurance Co. v. Hansen, 632 F.3d 388, 392 (7th Cir. 2011)
- National American Insurance Co. v. Artisan & Truckers Casualty Co., 796 F.3d 717, 723 (7th Cir. 2015)
- Hahn v. Walsh, 762 F.3d 617, 629 (7th Cir. 2014)
- RLI Insurance Co. v. Consecro, Inc., 543 F.3d 384, 390 (7th Cir. 2008)
- Zurich American Insurance Co. v. Infrastructure Engineering, Inc., 2024 IL 130242, ¶¶ 32, 45
- Trogub v. Robinson, 366 Ill. App. 3d 838, 842, 853 N.E.2d 59, 63 (2006)
- Daza v. State, 2 F.4th 681, 683 (7th Cir. 2021)
- Hudson v. City of Chicago, 889 N.E.2d 210, 213 (Ill. 2008)
- Walczak v. Chicago Board of Education, 739 F.3d 1013, 1016-17 (7th Cir. 2014)
- Cooney v. Rossiter, 2012 IL 113227, ¶ 21
- River Park, Inc. v. City of Highland Park, 703 N.E.2d 883, 893 (Ill. 1998)
- Gillespie Community Unit School District No. 7 v. Union Pacific Railroad, 2015 IL App (4th) 140877
- Illinois Mine Subsidence Insurance Fund v. Union Pacific Railroad Co., No. 17-CV-3199, 2019 WL 4015883 (C.D. Ill. Aug. 26, 2019)
- Weinberger v. Romero-Barcelo, 456 U.S. 305, 320 (1982)
- Winter v. Natural Resources Defense Council, Inc., 555 U.S. 7, 20, 32 (2008)
- Vaughn v. Walthall, 968 F.3d 814, 824-25 (7th Cir. 2020)

- eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388, 391 (2006)
- Adkins v. Nestle Purina PetCare Co., 779 F.3d 481, 483 (7th Cir. 2015)
- F.T.C. v. Standard Oil Co. of California, 449 U.S. 232, 244 (1980)
- Crane by Crane v. Indiana High School Athletic Association, 975 F.2d 1315, 1326 (7th Cir. 1992)
- Jennings Water, Inc. v. City of North Vernon, Indiana, 895 F.2d 311, 318 n.6 (7th Cir. 1989)
- United States v. Olson, 98 F.4th 840, 842 (7th Cir. 2024)
- Haaland v. Brackeen, 599 U.S. 255, 293 (2023)
- Medtronic, Inc. v. Mirowski Family Ventures, LLC, 571 U.S. 191, 200 (2014)
- Union Pacific Railroad Co. v. Illinois Mine Subsidence Insurance Fund, 138 F.4th 1045, 1052, 1058 (7th Cir. 2025)

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