SUPREME COURT OF NEBRASKA

Reisig v. Allstate Insurance Company, 264 Neb. 74

645 N.W.2d 544 (2002) · No. No. S-01-424 · Decided June 14, 2002

SUMMARY

Raymond Reisig sought uninsured motorists coverage under his Allstate commercial automobile insurance policy for injuries sustained while he was a passenger in an uninsured vehicle. The Supreme Court of Nebraska held that the policy's uninsured motorists endorsement was ambiguous regarding whether coverage for the named insured was limited to injuries involving a covered automobile, and construed the ambiguity in Reisig's favor. The court reversed the summary judgment for Allstate and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Nebraska
WRITING FOR THE COURT	Hendry, C.J.; Wright, J.; Connolly, J.; Gerrard, J.; Stephan, J.; McCormack, J.; Miller-Lerman, J.
JURISDICTION	Nebraska
DECIDED	June 14, 2002
DOCKET	No. S-01-424
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Reisig appealed from the Kimball County District Court's order granting Allstate's motion for summary judgment and dismissing his declaratory judgment action.
STANDARD OF REVIEW	Insurance policy interpretation is a question of law reviewed independently. Summary judgment is proper when the record shows no genuine issue of material fact or ultimate inference and the moving party is entitled to judgment as a matter of law; the evidence is viewed in the light most favorable to the nonmoving party.
PRECEDENTIAL VALUE	Published Nebraska Supreme Court opinion; binding precedent in Nebraska.
PARTIES	Raymond Reisig v. Allstate Insurance Company

TOPICS

uninsured motorist · insurance coverage · contract interpretation · summary judgment · declaratory relief insurance

PRACTICE AREAS

insurance law · contract law · civil procedure · appellate procedure

QUESTIONS PRESENTED

1. Whether the uninsured motorist endorsement was ambiguous regarding whether coverage for the named insured was limited to injuries involving a covered automobile.
2. Whether, under Nebraska law, the ambiguity in the uninsured motorist endorsement had to be construed in favor of Reisig.
3. Whether Allstate was entitled to summary judgment and dismissal of Reisig's declaratory judgment action.

HOLDINGS

1. The uninsured motorist endorsement was ambiguous because its definition of an insured as 'You' could reasonably be read either as standing alone or as limited by the introductory phrase 'For a covered auto.'
2. The ambiguous uninsured motorist policy language must be construed in favor of the insured.
3. As a matter of law, Reisig's policy did not limit his uninsured motorist coverage solely to instances involving a covered automobile.

KEY QUOTATIONS

> *"If the "covered 'auto'" limitation modifies the entire endorsement as Allstate asserts, it would be unnecessary to add the specific "covered 'auto'" limitation to paragraph 3."* (551)

> *"Concluding that the Allstate policy is ambiguous and therefore construing it in favor of Reisig, we determine as a matter of law that Reisig's insurance policy does not limit Reisig's uninsured motorists coverage solely to those instances involving "a covered 'auto.'""* (553)

FACTUAL BACKGROUND

On February 26, 1998, Raymond Reisig was injured while riding as a passenger in a Chevrolet pickup truck driven by Emigdio Pruneda. Pruneda and the vehicle were uninsured because the vehicle owner's insurance had been canceled for nonpayment of premium. Reisig's Allstate business auto policy was in effect and included an uninsured motorist endorsement, but the vehicle involved in the accident was not one of the six specifically described vehicles listed in the policy.

PROCEDURAL HISTORY

Reisig filed a declaratory judgment action seeking a declaration that his uninsured motorist coverage applied to injuries sustained while he was a passenger in an uninsured vehicle. The district court granted Allstate summary judgment, concluding that coverage was limited to accidents involving a covered automobile, and dismissed the action. The Nebraska Supreme Court reversed and remanded.

DISPOSITION

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reversed_and_remanded
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REMAND INSTRUCTIONS

The cause was remanded for further proceedings consistent with the opinion.

CASES CITED

- Tighe v. Combined Ins. Co. of America, 261 Neb. 993, 628 N.W.2d 670 (2001)
- Ohio Cas. Ins. Co. v. Carman Cartage Co., 262 Neb. 930, 636 N.W.2d 862 (2001)
- Harders v. Odvody, 261 Neb. 887, 626 N.W.2d 568 (2001)
- J.B. Contracting Servs. v. Universal Surety Co., 261 Neb. 586, 624 N.W.2d 13 (2001)
- Sindelar v. Hanel Oil, Inc., 254 Neb. 975, 581 N.W.2d 405 (1998)
- Shuck v. Jacob, 250 Neb. 126, 548 N.W.2d 332 (1996)
- State v. Slezak, 230 Neb. 197, 430 N.W.2d 533 (1988)
- Cincinnati Ins. Co. v. Becker Warehouse, Inc., 262 Neb. 746, 635 N.W.2d 112 (2001)
- Johnson Lakes Dev. v. Central Neb. Pub. Power, 254 Neb. 418, 576 N.W.2d 806 (1998)
- Bushey v. Northern Assurance, 362 Md. 626, 766 A.2d 598 (2001)
- Stoddard v. Citizens Ins. Co. of America, 249 Mich. App. 457, 643 N.W.2d 265 (2002)
- Estate of Rosato v. Harleysville Mut. Ins., 328 Pa. Super. 278, 476 A.2d 1328 (1984)