STATE OF LOUISIANA COURT OF APPEAL, FIRST CIRCUIT

CHRISTINA LANGLOIS

NO. 2021 CW 1259

VERSUS

NATIONAL LIABILITY & FIRE
INSURANCE COMPANY, BAKER
WELLNESS CENTER, INC., JUDY
GAGE, STATE FARM MUTUAL
AUTOMOBILE INSURANCE COMPANY
AND SHANNON SPIKES

OCTOBER 26, 2021

In Re:

National Liability & Fire Insurance Company, applying for supervisory writs, 19th Judicial District Court, Parish of East Baton Rouge, No. 638754.

BEFORE: GUIDRY, McCLENDON, WELCH, THERIOT, and CHUTZ, JJ.

WRIT GRANTED. The trial court erred by denying the motion for partial summary judgment filed by National Liability & Fire Insurance Company, seeking to dismiss the plaintiff's claim for penalties and attorney's fees under La. R.S. 22:1892. Statutory penalties are inappropriate when the insurer has a reasonable basis to defend the claim and was acting in good-faith reliance on that defense. Baack v. McIntosh, 2020-01054 (La. 6/30/21) ---So.3d ---, 2021 WL 2679825, *7; Bingham v. State Farm Mutual Auto. Ins. Co., 2012-0375 (La. App. 1st Cir. 11/2/12), 2012 WL 5386619, *2 (unpublished). National pointed out the absence of factual support for this claim as the evidence showed National had reasonable doubts concerning coverage for the plaintiff's claims and, therefore, had the right to litigate these claims without being subjected to damages and penalties. Calogero v. Safeway Ins. Co. of Louisiana, 99-1625 (La. 1/19/00), 753 So.2d 170, 173. See also Hill v. TMR Exploration, Inc., 2019-1089 (La. App. 1st Cir. 12/6/19) 2019 WL 6655588 (unpublished); Hill v. TMR Exploration, Inc., 2019-1090 (La. App. 1st Cir. 12/27/19) 2019 WL 72123792019 (unpublished). Therefore, we reverse the trial court's October 12, 2021 judgment denying the motion, grant National Liability & Fire Insurance Company's motion for partial summary judgment, and dismiss the plaintiff's claims asserted against it pursuant to La. R.S. 22:1892.

> JMG PMc JEW

Chutz. J., dissents and would deny the writ, finding the criteria set forth in Herlitz Construction Co., Inc. v. Hotel Investors of New Iberia, Inc., 396 So.2d 878 (La. 1981) (per curiam) are not met.

Theriot, J., dissents and would deny the writ.

COURT OF APPEAL, FIRST CIRCUIT

DEPUTY CLERK OF COURT
FOR THE COURT