## UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA

TEAM CONTRACTORS, L.L.C., Plaintiff

**CIVIL ACTION** 

**VERSUS** 

NO. 16-1131

WAYPOINT NOLA, L.L.C., ET AL., Defendants **SECTION:** "E"(2)

ORDER

Before the Court is Defendant Waypoint NOLA, L.L.C.'s ("Waypoint") motion to amend the Court's December 5, 2017 Order and Reasons to include a statement allowing interlocutory review. The motion is opposed. For the reasons to follow, the motion is **DENIED**.

On February 5, 2016, Plaintiff Team Contractors, L.L.C. filed a complaint against Defendants HC Architecture, Inc., KLG, L.L.C., and Waypoint NOLA, L.L.C.<sup>3</sup> Catlin Insurance Company, Inc. ("Catlin") was subsequently named as a third party defendant by Waypoint.<sup>4</sup> On December 5, 2017, the Court dismissed Waypoint's claim against Catlin on the grounds that Louisiana Revised Statute 22:1973(B)(5) did not allow recovery for third-party claimants.<sup>5</sup> Waypoint was not insured by the insurance policy in question, but rather asserted a claim as a third party.<sup>6</sup> The Court determined that as the plain language of the statute limited recover to "any person insured by a contract," Waypoint was unable to assert a claim under La. R.S. 22:1973(B)(5).<sup>7</sup> The Court therefore dismissed Waypoint's third party claim against Catlin.

<sup>&</sup>lt;sup>1</sup> R. Doc. 321.

<sup>&</sup>lt;sup>2</sup> R. Doc. 322.

<sup>&</sup>lt;sup>3</sup> R. Doc. 1.

<sup>&</sup>lt;sup>4</sup> R. Doc. 14.

<sup>&</sup>lt;sup>5</sup> R. Doc. 320.

<sup>&</sup>lt;sup>6</sup> See R. Doc. 320 at 3-7.

<sup>&</sup>lt;sup>7</sup> See La. REV. STAT. ANN. § 22:1973 (2012).

In this motion, Waypoint seeks amendment of the Order and Reasons to allow for interlocutory review of the order pursuant to 28 U.S.C. § 1292(b).8 28 U.S.C. § 1292(b) allows a party to request appellate review of a district court's order or judgment during litigation rather than wait until the end of the case on appeal.9 Interlocutory review is allowed if: (1) the order or judgment involves a controlling question of law; (2) substantial ground for difference of opinion on the question of law exists; and (3) immediate appeal from the order or judgment may materially advance the ultimate termination of the litigation. The moving party bears the burden of establishing that interlocutory appeal is appropriate. It is within the Court's discretion to certify an order for interlocutory appeal under Section 1292(b). Interlocutory appeals are "exceptional" and should not be granted "simply to determine the correctness' of a ruling." 13

Waypoint attempts to create an unsettled question of law by distinguishing the present matter from *Langsford v. Flattman*, the most recent Louisiana Supreme Court case interpreting the La. R.S. §22:1973.<sup>14</sup> In *Langsford*, the Louisiana Supreme Court ruled that sub-section (B)(5) of that provision did not permit a claim by a third party injured in automobile accident against the other driver's insurance company.<sup>15</sup> Waypoint

<sup>&</sup>lt;sup>8</sup> 28 U.S.C. § 1292(b).

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> *Id* 

<sup>&</sup>lt;sup>11</sup> U.S. ex rel. Branch Consultants, L.L.C. v. Allstate Ins. Co., 668 F. Supp. 2d 780, 813 (E.D. La. 2009).

<sup>&</sup>lt;sup>12</sup> Waste Mgmt. of Louisiana, L.L.C. v. Parish, No. 13-6764, 2014 WL 5393362, at \*3 (E.D. La. Oct. 22, 2014) ("This Court has the discretion to certify its Order and Reasons for interlocutory appeal under 28 U.S.C. § 1292(b)."); In re Chinese Manufactured Drywall Products Liab. Litig., No. 09-4115, 2012 WL 4928869, at \*7 (E.D. La. Oct. 16, 2012) (same); Copelco Capital, Inc. v. Gautreaux, No. CIV. A. 99-850, 1999 WL 729248, at \*1 (E.D. La. Sept. 16, 1999) ("The trial judge has substantial discretion in deciding whether or not to certify questions for interlocutory appeal."); Swint v. Chambers Cnty. Comm'n, 514 U.S. 35, 47 (1995) ("Congress thus chose to confer on district courts first line discretion to allow interlocutory appeals.").

<sup>&</sup>lt;sup>13</sup> Gulf Coast Facilities Mgmt., LLC v. BG LNG Servs., LLC, 730 F. Supp. 2d 552, 565 (E.D. La. 2010) (quoting Clark-Dietz & Associates-Engineers, Inc. v. Basic Constr. Co., 702 F.2d 67, 67-69 (5th Cir. 1983)).

<sup>&</sup>lt;sup>14</sup> Langsford v. Flattman, 2003-0189 (La. 1/21/04); 864 So. 2d 149.

<sup>&</sup>lt;sup>15</sup> *Langsford*, 864 So. at 151.

argues that Langsford is limited to automobile accident cases, and thus Louisiana law has left open a class of third party beneficiaries—including professional liability third-party claimants—that may bring claims under sub-section 1973(B)(5).16

The Court finds, however, that no "substantial ground for difference of opinion on the question of law exists" as to the December 5, 2017 Order and Reasons. 17 As explained by the Court, the plain language of the provision indicates that relief is only available to "any person insured by a contract." Third parties are, by definition, not insured by the insurance policy. Louisiana state courts overwhelmingly confirm this interpretation.<sup>19</sup> Moreover, the Court is not persuaded that the Louisiana Supreme Court's holding in Langsford is restricted to automobile insurance cases. The Louisiana Supreme Court in no way limits its interpretation of La. R.S. §22:1973 to automobile cases. To the contrary, the court cautions that the statute "must be strictly construed in favor of a limited expansion of third party rights rather than a drastic expansion of such rights."<sup>20</sup>

Accordingly;

IT IS ORDERED that Waypoint NOLA, L.L.C.'s motion to amend is DENIED.

New Orleans, Louisiana, this 25th day of January, 2018.

UNITED STATES DISTRICT JUDGE

<sup>&</sup>lt;sup>16</sup> R. Doc. 316 at 8.

<sup>&</sup>lt;sup>18</sup> La. Rev. Stat. Ann. § 22:1973(B)(5).

<sup>&</sup>lt;sup>19</sup> See Toerner v. Henry, 2000-2934 (La. App. 1 Cir. 2/15/02); 812 So.2d 755, 758; Woodruff v. State Farm Ins. Co., 1999-2818 (La. App. 4 Cir. 6/14/00); 767 So.2d 785, 788; Celestine v. State Farm Mut. Auto. Ins. Co., 98-578 (La. App. 3 Cir. 12/30/98); 735 So.2d 1, 4; Venible v. First Financial Ins. Co., 97-2495 (La. App. 4 Cir. 8/26/98); 718 So.2d 586, 588-89; Smith v. Midland Risk Ins. Co., 29-793 (La. App. 2 Cir. 9/24/97); So.2d 1192, 1197. See also Pontchartrain Gardens, Inc. v. State Farm Gen. Ins. Co., 2009 WL 86671, at \*6-7 (E.D.La. Jan. 13, 2009) (Vance, C.J.).

<sup>&</sup>lt;sup>20</sup> Langsford, 864 So. at 151.