

Insurers Not Obligated For Coverage Of Civil Rights Action, Judge Finds

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Body

An insurer that issued municipal package policies to a city and county is not obligated to defend or indemnify an underlying civil rights action because the injuries alleged occurred before the policy periods, a federal judge held March 30. A second insurer's policy provides coverage only for bodily injury and property damage, neither of which are alleged in the underlying complaint (Coregis Insurance Co. v. City of Harrisburg, et al. v. St. Paul Fire and Marine Insurance Co, et al., No. 1:03-CV-920, M.D. Pa.; See 12/20/05, Page 19).

(Memorandum available 13-060516-015Z)

In separate decisions issued the same day, U.S. Judge Yvette Kane of the Middle District of Pennsylvania granted summary judgment to Coregis Insurance Co. and St. Paul Fire and Marine Insurance Co. and denied summary judgment to the City of Harrisburg.

Coregis Insurance Co. filed this action, seeking a declaration that it is not obligated to provide coverage to the City of Harrisburg and Dauphin County for an underlying civil rights action filed against them by Steven Crawford.

Crawford's complaint involves the alleged actions of three law enforcement officers involved in Crawford's prosecution and conviction for a murder. Crawford filed his underlying action after his 2003 release from prison after having been incarcerated for 28 years on a murder charge. Crawford was released after his attorney discovered certain evidence that had allegedly been suppressed by law enforcement officials involved in his prosecution and trial.

Prior Decision

The judge previously granted summary judgment to third-party insurers that had issued occurrence-based policies to Harrisburg or the county after 1978. He found that none of the allegations in the Crawford complaint can conceivably be read to assert that Crawford sustained injury any time after 1978 and did not trigger coverage under occurrence policies in effect years after the allegedly tortious conduct first occurred or the resulting injuries first became manifest

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"The Court's finding in this regard is unchanged with respect to the policies presently under consideration, and like the other third-party Defendants whose trigger motions were granted in the court's March 31, 2005 Order, Coregis is entitled to summary judgment," Judge Kane said.

Coregis issued the city municipal package policies that excluded coverage for liability arising from law enforcement activities but had law enforcement prior acts endorsements extending coverage for occurrences under certain circumstances dating back to 1987.

Crawford alleges that law enforcement officials altered evidence as early as 1972, conspired to suppress evidence and falsely testified at three trials, the last of which resulted in his 1978 conviction.

The judge found it clear that "humiliation, damage to reputation, and other injuries that allegedly resulted from Crawford's prosecution and the attendant constitutional deprivations would have been evident upon his arrest and incarceration in 1974. At the very least, the injuries Crawford alleges in the underlying cases were manifest in 1978, when Crawford was ultimately convicted of . . . murder for a third and final time. Therefore, the injuries were first manifest years prior to any of the insurance policies presently before the Court" and Coregis is not obligated to provide coverage to the city or county.

USF&G

In a separate decision issued the same day, Judge Kane found that occurrence-based policies issued by United States Fidelity & Guaranty Co. (USF&G) that provide coverage only against bodily injury and property damage do not provide coverage because the underlying complaint does not contain such claims.

(StPaul memorandum available 13-060516-016Z)

St. Paul Fire and Marine Insurance Co., which merged with USF&G in 1998, moved for summary judgment.

The judge said Crawford did not allege property damage or bodily injury claims and said claims of emotional injury do not constitute bodily injury under Pennsylvania law. Further, Harrisburg is not entitled to coverage based on Crawford's claims of negligence alone.

Richard M. Kuntz and Darcy L. Ibach of Bollinger Ruberry & Garvey in Chicago and Jeffrey R. Boswell of Boswell, Tintner, Piccola & Wickersham in Harrisburg represent Coregis. Henri Marcel of Deasey, Mahoney & Bender in Philadelphia represents St. Paul. William R. Balaban and Timothy T. Myers of Elliott Greenleaf Siedzikowski & Balaban in Harrisburg represent the city.

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