

Sebo v. American Home Assurance Co.

Year: 2014

Court: Florida Supreme Court

Case Number: SC 14-897

Insurance coverage in cases involving concurrent causation (i.e., multiple causes, some covered, some not) has been the subject of great debate, with courts settling on two principal rules of law – the concurrent cause and efficient proximate cause doctrines. For over a quarter-century, Florida has followed a limited version of the concurrent cause doctrine that produces coverage in cases involving losses resulting from two or more causes, at least one of which is covered, where the causes are independent in origin. The rule announced in *Wallach v. Rosenberg* is as follows: “Where weather perils combine with human negligence to cause a loss, it seems logical and reasonable to find the loss covered by an all-risk policy even if one of the causes is excluded from coverage.” In order to uphold precedent and ensure consistency for Florida property owners, UP urged reversal of a lower court holding which applied the “efficient proximate cause” doctrine – a more limited basis for coverage in multiple cause cases followed in California. UPdate 12/1/16: On Thursday, the Florida Supreme Court agreed with UP and reversed an improper ruling by a lower court, finding that under an all-risk policy where multiple causes may be responsible for a loss, if at least one cause is covered, the policy pays. Resolving a split of authority in Florida’s appellate courts, the Supreme Court held that concurrent cause, rather than efficient proximate cause (which requires the covered cause to be the predominant or most important cause of the loss), is the proper rule in Florida. In the case, the home was damaged by rain water (covered) that may have been exacerbated by faulty workmanship/construction defect (excluded). The Justices concluded it was logical (and in keeping with Florida precedent) that an “all-risk” policy would provide coverage for the entire loss, regardless of which cause was the predominant cause, and thus reversed the lower court which accepted a flawed and unfair argument advanced by the insurer. See opinion below. See also:

<https://www.propertyinsurancecoveragelaw.com/2018/02/articles/court-opinion/court-rejects-jury-instruction-inconsistent-with-concurrent-causation-doctrine-remands-for-new-trial/>

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