

Bond Case Briefs

Municipal Finance Law Since 1971

INSURANCE - FLORIDA

Lee County School Board v. State Farm Mutual Automobile Insurance Company

District Court of Appeal of Florida, Second District - May 24, 2019 - So.3d - 2019 WL 2237346

After two insured passengers were injured on school bus, insurer brought action against school district's insurer seeking reimbursement for no-fault benefits paid to passengers.

The Circuit Court granted passengers' insurer's motion for summary judgment. School board and its insurer appealed.

The District Court of Appeal held that:

- Insurer's action was not barred by sovereign immunity;
- Provision of statute governing insurer's right of reimbursement did not conflict with the express inclusion of school buses in the definition of a "commercial motor vehicle" and provision that the owner of vehicle was subject to statute; and
- Statute required school board's insurer to reimburse passengers' insurer.

Legislature expressly waived sovereign immunity for owners of vehicles used for public school transportation in actions brought pursuant to the statute governing insurer's right of reimbursement of personal injury protection benefits on a private passenger motor vehicle and on vehicles used for public school transportation, which necessarily included public school buses, and thus insurer's action seeking reimbursement for personal injury protection (PIP) benefits paid to injured school bus passengers was not barred by sovereign immunity.

Provision of statute governing insurers' right of reimbursement for benefits paid to any person as a benefit arising out of private passenger motor vehicle insurance, providing for an express exemption of school buses from the requirement to maintain no-fault insurance and did not conflict with the express inclusion of school buses in the definition of a "commercial motor vehicle," and provision that the owner of vehicle was subject to statute.

Even though injured school bus passengers were not "insureds" under school board's insurance policy, statute providing for insurers' right of reimbursement for benefits paid to any person as a benefit arising out of private passenger motor vehicle insurance required school board's insurer to reimburse passengers' insurer for injuries sustained on school bus.