

Case Summaries October 25, 2024

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DECIDED CASES

INSURANCE

Pre-Suit Notice

In re Lubbock Indep. Sch. Dist., ___ S.W.3d ___, 2024 WL ___ (Tex. Oct. 25, 2024) (per curiam) [23-0782]

This case concerns the interpretation of an Insurance Code provision requiring pre-suit notice.

The Lubbock Independent School District sent a pre-suit notice to numerous insurance companies that provided the District with layers of coverage during two separate storms. Each notice stated that the "specific amount alleged to be owed" was \$20 million. After filing suit, the District estimated in its initial disclosures that the covered damages would range from \$100 to \$250 million.

The insurers sought an abatement, asserting that the notice failed to comply with the Insurance Code's requirement that pre-suit notice include "the specific amount alleged to be owed by the insurer on the claim." The trial court denied the abatement, but the court of appeals granted the insurers' petition for writ of mandamus and directed the trial court to grant the abatement. The court of appeals held that the statute does not permit a claimant "to equivocate, or suggest an estimate, or offer a placeholder sum that might be changed after further investigation takes place"; instead, the statute requires the notice to "clearly articulate" the "precise sum alleged to be owed."

The Supreme Court disagreed with that holding. The Court observed that federal courts have consistently held that the "specific amount" language requires only that the notice assert a specific dollar amount; it does not require that the notice provide a "fixed and final total dollar sum" that is free from estimate and can never change. The Court commented that the federal courts' construction appears to be the one most consistent with the statute as a whole, especially in light of statutory provisions suggesting that the amount awarded may vary from the amount stated in the notice. But because the District's notice was inadequate for other reasons, the Court denied the District's mandamus petition in a per curiam opinion.

GRANTED CASES

FAMILY LAW

Spousal Support

Mehta v. Mehta, ___ S.W.3d ___, 2023 WL 3521901 (Tex. App.—Fort Worth 2023), pet. granted (Oct. 25, 2024) [23-0507]

The principal issue in this case is whether child-support payments should be considered when determining a spouse's eligibility for spousal maintenance.

Manish Mehta filed for divorce from his spouse, Hannah Mehta. In the final divorce decree, the trial court ordered Manish to pay child support and spousal maintenance to Hannah. Manish appealed, arguing that the evidence is legally insufficient to support the spousal maintenance award under Chapter 8 of the Texas Family Code.

The Family Code allows the trial court to award spousal maintenance when the spouse seeking maintenance will lack sufficient property upon divorce to provide for their minimum reasonable needs. In its review, the court of appeals included Manish's child support payments as part of the property available to provide for Hannah's minimum reasonable needs. It then reviewed evidence of Hannah's minimum reasonable needs. After comparing the two, the court reversed the award of spousal maintenance, holding that Hannah is ineligible for spousal maintenance because she has sufficient property to provide for her needs.

Hannah filed a petition for review. She argues that the court of appeals erred because spousal maintenance is intended to provide only for the spouse's needs, while the purpose of child support is to financially support the children. Accordingly, Hannah argues that receipt of child support should not be considered when determining a spouse's eligibility for spousal maintenance. The Supreme Court granted the petition.