



News

Scott Seaman Discusses Sixth Circuit Finding that Novel Insurance Coverage Issues Are Best Handled by State Courts

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Scott Seaman—Chicago-based partner and co-chair of Hinshaw's global Insurance Services Practice Group—discussed with *Law360 Insurance Authority* a Sixth Circuit ruling affirming the dismissal of an insurer's dispute with a personal protective equipment maker over coverage for injuries firefighters say they sustained from exposure to PFAS, because a state trial court is better suited to decide on novel insurance issues.

Seaman said the doors of a federal courthouse should not be shut on insurers seeking declaratory relief where a declaration would resolve a dispute. He added that federal courts' capacity to handle novel insurance issues is highlighted by coverage cases stemming from business losses resulting from the COVID-19 pandemic.

"It is difficult to see how entertaining a declaratory judgment action here actually would encroach improperly upon the jurisdiction of the state or present comity issues," Seaman said. "It is true that insurance coverage decisions generally present matters of state law; however, federal courts regularly exercise diversity jurisdiction to decide issues of state law on a wide range of issues, including insurance coverage disputes."

[Read the full article](#) (*subscription required*)

"6th Circ.'s PFAS Ruling Shows Novelty A Matter Of State Law" was published by *Law360 Insurance Authority* on June 16, 2023.

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