

SUMMARY STATEMENT

Smith v. Excel Fabrication, LLC

Docket No. 48900

This case involves the scope of the exclusive remedy rule and the countervailing third-party liability as set forth in the Idaho Worker's Compensation Law. Mitchell Smith was employed by Amalgamated Sugar Company ("Amalgamated") in Nampa, Idaho when he was injured falling from a flight of stairs after the handrail gave out. Amalgamated had contracted with Excel Fabrication, LLC, ("Excel") to construct and install the flight of stairs. Smith received worker's compensation benefits from Amalgamated and then sued Excel as a third-party tortfeasor, alleging that Excel had been negligent in its construction and installation of the staircase. Excel moved for summary judgment, arguing that Amalgamated was its statutory employer and thus it was a "statutory co-employee" with Smith. As a result, Excel argued that it was immune from liability because of the exclusive remedy rule under Idaho Code section 72-209(3). The district court agreed and granted Excel's motion for summary judgment. Smith timely appealed.

This Court held that the district court erred in granting summary judgment for Excel. Specifically, this Court concluded that "independent contractors" are separate and distinct from "contractors and subcontractors," as those terms are set out in Idaho Code section 72-223(1). As a result, independent contractors are not afforded immunity from tort liability in the way that contractors and subcontractors are as statutory employers under the statute. Under this framework, because Excel was an independent contractor rather than a contractor or subcontractor, Amalgamated was not Excel's statutory employer, and Excel was not entitled to immunity from tort liability as a statutory co-employee of Smith.

This Court also took the opportunity to overrule *Robison v. Bateman-Hall, Inc.*, 139 Idaho 207, 76 P.3d 951 (2003), which strayed from the plain language of Idaho Code section 72-223 and unnecessarily muddled the analysis regarding third-party tort liability for owners or lessees of premises. The dissent in *Robison* more accurately reflects how the worker's compensation law should be interpreted. 139 Idaho at 215, 76 P.3d at 959 (Kidwell, J., dissenting). This Court also distinguished this case from *Richardson v. Z & H Construction, LLC*, 167 Idaho 345, 470 P.3d 1154 (2020). *Richardson* held that subcontractors (who were LLCs) were statutory co-employees pursuant to Idaho Code section 72-209(3), thus entitling the LLCs in that case to immunity from third-party tort liability. In contrast, here, Excel was an independent contractor of Amalgamated, which, by definition, meant that Excel was not an employee of Amalgamated.

For those reasons, this Court reversed the district court's decision and remanded the case for further proceedings.

Justice Zahn wrote separately, concurring in the result but not in the majority's reasoning. Senior Justice Burdick joined in Justice Zahn's concurrence.

*****This summary constitutes no part of the Court's opinion. It has been prepared by court staff for the convenience of the public.*****