

SUMMARY STATEMENT

Sky Down Skydiving

Docket No. 47077

The Industrial Commission appealed the final determination that Sky Down Skydiving, LLC, properly designated its tandem skydiving instructors and parachute packers as independent contractors, rather than as employees, thereby eliminating the need for worker's compensation insurance. This action began as a civil law suit against Sky Down for penalties and injunctive relief after notifying the company that it was in violation of Idaho Code section 72-301. Following a bench trial, the magistrate court concluded that the instructors and parachute packers were independent contractors. The magistrate court then dismissed the Commission's complaint with prejudice. The district court affirmed the magistrate court's decision, even after a witness contacted the Industrial Commission's counsel to recant his earlier testimony. The Commission then timely appealed to the Supreme Court. The Court reversed and remanded because both of the lower courts erred in failing to apply the proper test and the district court erred in concluding there was substantial and competent evidence to support the magistrate court's findings.