

IN THE SUPREME COURT OF THE STATE OF IDAHO

Docket No. 52706-2025

ALEXANDER BAUER, an individual,	)	
	)	
Plaintiff-Appellant,	)	Boise, February 2026 Term
	)	
v.	)	Opinion filed: October 22, 2026
	)	
SCOTT MYERS AND SONS ROOFING	)	
AND CONSTRUCTION, LLC, an Idaho	)	Melanie Gagnepain, Clerk
limited liability company,	)	
	)	
Defendant-Respondent,	)	
	)	
and	)	
	)	
DE LINAGE, LLC; an Idaho limited liability	)	
company; LEGEND CONCRETE &	)	
CONSTRUCTION, LLC, an Idaho limited	)	
liability company; JOHN AND JANE DOES	)	
1-10; and CORPORATIONS A-Z,	)	
	)	
Defendants.	)	

Appeal from the District Court of the Fifth Judicial District of the State of Idaho, Twin Falls County. R. William Hancock, District Judge.

The decision of the district court is reversed and remanded.

Worst & Associates, PC, Twin Falls, for Appellant. Madison J. Worst argued.

Scanlan Griffiths + Aldridge, Boise, for Respondent. Jamie L. Matier argued.

ZAHN, J.

This case concerns the extent of third-party liability under Idaho’s Worker’s Compensation Law (“the Act”). Stack Construction, LLC (“Stack”), a general contractor, hired Scott Myers and Sons Roofing and Construction, LLC (“Myers”) and Evans Plumbing, Inc. (“Evans”) to do work on an apartment complex. Alexander Bauer was employed by Evans. While working at the apartment complex, Bauer was injured when he fell from a second story balcony after a temporary

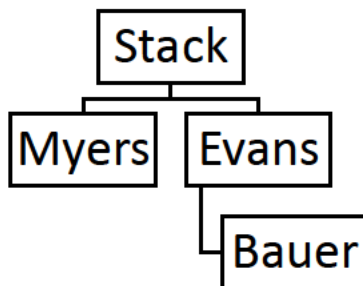
railing broke. Bauer received worker's compensation benefits from Evans' worker's compensation insurer.

Bauer later filed a complaint against Myers for negligence, recklessness, and gross negligence, claiming that Myers removed and then improperly reinstalled the temporary railing. Myers moved for summary judgment, arguing that Bauer's claims were barred by the exclusive remedy provision of the Act because Myers and Bauer were co-employees for purposes of the Act. Bauer argued that Myers was not a co-employee but instead an independent contractor and therefore the exclusive remedy rule did not bar Bauer's claims.

The district court granted Myers' motion for summary judgment and dismissed Bauer's claims. It determined that the right to control test was not applicable and that Bauer's claims against Myers were barred by the exclusive remedy rule because they were both employees of Stack. Bauer appeals and reasserts that the district court should have applied the right to control test to determine whether Myers was an independent contractor or an employee of Stack. We agree with Bauer and hold that the right to control test should have been applied to determine Myers' status. Thus, we reverse and remand for further proceedings consistent with this opinion.

I. FACTUAL AND PROCEDURAL BACKGROUND

Stack was the general contractor for the construction of an apartment complex in Twin Falls, Idaho. Stack and Myers executed a "Standard Form Subcontract" for Myers to do roofing work on the apartment complex. Stack and Evans executed a similar "Standard Form Subcontract" for Evans to install plumbing at the apartment complex. Bauer was employed by Evans. The relationship between the parties is depicted in the following image:



Bauer was injured when he leaned against a temporary wood railing on a second-floor balcony at the apartment complex and the railing gave way, resulting in Bauer's injuries. Evans had worker's compensation insurance through Amtrust Insurance Company. The record indicates

that Amtrust “paid at least \$245,036.05 for [Bauer’s] medical expenses and other workers [sic] compensation benefits arising from the subject fall.”

Bauer later filed a complaint against Myers for negligence, recklessness, and gross negligence. He claimed that, before his fall, Myers removed the temporary wood railing on the balcony to do work on the balcony floor, and then reinstalled it incorrectly, causing Bauer’s fall. Myers moved for summary judgment, arguing that Bauer’s claims against it were barred by the exclusive remedy rule of the Act and this Court’s holding in *Richardson v. Z & H Construction, LLC*, 167 Idaho 345, 470 P.3d 1154 (2020). Myers argued that because Stack contracted with both Myers and Evans, they were both employees of Stack, which in turn made Myers a co-employee of Bauer. Myers argued that the protections of the exclusive remedy rule extend to co-employees and therefore Bauer’s claims against it were barred under the exclusive remedy rule. Bauer opposed the motion and argued that, under the right to control test, Myers was not Bauer’s co-employee but instead was an independent contractor. Therefore, the exclusive remedy rule did not bar Bauer’s claim against Myers.

The district court declined to apply the right to control test. It concluded that Myers was a subcontractor of Stack under the language of its contract. As a result, Myers was Stack’s employee and was immune from liability under the Act. The district court granted summary judgment in favor of Myers and dismissed Bauer’s claims.

II. STANDARD OF REVIEW

This Court applies the same standard of review as the lower court when reviewing a ruling on a motion for summary judgment. *Hickman v. Boomers, LLC*, 174 Idaho 1048, 1054, 554 P.3d 99, 105 (2024). Thus, summary judgment is proper “if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” I.R.C.P. 56(a). Any disputed facts and reasonable inferences are construed in favor of the non-moving party, and where the evidence reveals no disputed material facts, only a question of law remains, which this Court freely reviews. *Hickman*, 174 Idaho at 1054, 554 P.3d at 105 (citations omitted).

III. ANALYSIS

A. The district court erred by granting Myers’ motion for summary judgment.

Bauer argues that the district court erred in granting Myers’ motion for summary judgment because it erroneously found that Myers was Stack’s subcontractor. Bauer draws a distinction between subcontractors and independent contractors for purposes of applying exclusive remedy

immunity. Relying on this Court’s recent decision in *Smith v. Excel Fabrication, LLC*, 172 Idaho 725, 535 P.3d 1098 (2023), Bauer contends that subcontractors are entitled to the immunity, but independent contractors are not. Bauer asserts there is a genuine dispute of material fact regarding whether Myers was Stack’s subcontractor or was an independent contractor and that the right to control test must be applied to resolve the dispute. Myers argues that the right to control test is not applicable because the Act classifies Myers and Bauer as co-employees, and thus, Myers was entitled to exclusive remedy immunity.

The Act “is a compromise between injured workers and their employers that provides employees a definite remedy for injuries arising out of and in the course of their employment.” *Richardson v. Z & H Constr., LLC*, 167 Idaho 345, 349, 470 P.3d 1154, 1158 (2020) (first citing I.C. § 72-201; then citing *Marek v. Hecla, Ltd.*, 161 Idaho 211, 215, 384 P.3d 975, 979 (2016); and then citing *Blake v. Starr*, 146 Idaho 847, 848–49, 203 P.3d 1246, 1247–48 (2009)). To further this compromise, “the Idaho [L]egislature has removed workplace injuries from private controversy by creating a system that is intended to provide sure and certain relief to injured workers regardless of fault.” *Id.* (first citing I.C. § 72-201; and then citing *Kolar v. Cassia County*, 142 Idaho 346, 351, 127 P.3d 962, 967 (2005)). An injured worker’s access to relief under the Act, “to the exclusion of every other remedy,” I.C. § 72-201, is known as the exclusive remedy rule, *Richardson*, 167 Idaho at 349, 470 P.3d at 1158 (citation omitted). *See also* I.C. § 72-209(1) (“[T]he liability of the employer under this law shall be exclusive”); I.C. § 72-211 (“[T]he rights and remedies herein granted to an employee . . . shall exclude all other rights and remedies of the employee”).

The exclusive remedy rule is limited. The benefits of the exclusive remedy rule do not apply to third parties. I.C. § 72-223(1). Relevant to this case, third parties include those other than an “employer.” *Id.* For this reason, we begin our analysis by ascertaining the employment relationship between the parties. *Richardson*, 167 Idaho at 350, 470 P.3d at 1159.

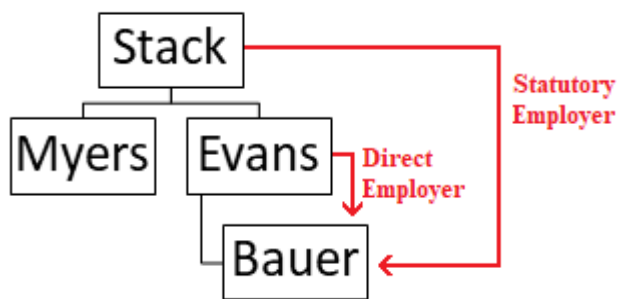
This Court first considers which party qualifies as an employer. *Id.* The Act defines an “employer” as

any person who has expressly or impliedly hired or contracted the services of another. It includes contractors and subcontractors. It includes the owner or lessee of premises, or other person who is virtually the proprietor or operator of the business there carried on, but who, by reason of there being an independent contractor or for any other reason, is not the direct employer of the workers there employed.

I.C. § 72-102(12)(a). The term “employer” is more broadly defined under the Act than under the common law. *Richardson*, 167 Idaho at 350, 470 P.3d at 1159. Specifically, “[a]n employee may have more than one employer: the employer who directly hired the employee and a person or entity who, by statute, is also held to be the employer for the purposes of worker’s compensation.” *Gonzalez v. Lamb Weston, Inc.*, 142 Idaho 120, 122, 124 P.3d 996, 998 (2005).

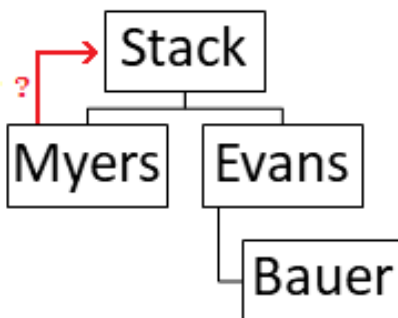
There are two categories of statutory employers. *Richardson*, 167 Idaho at 350, 470 P.3d at 1159. A category one statutory employer includes “any person who has expressly or impliedly hired or contracted the services of another.” *Id.* (quoting *Fuhriman v. State, Dep’t of Transp.*, 143 Idaho 800, 804–05, 153 P.3d 480, 484–85 (2007)). The employer “must be liable to pay worker’s compensation benefits if the direct employer does not.” *Id.* “Category two statutory employers include ‘the owner or lessee of the premises, or other person who is virtually the proprietor or operator of the business there carried on, but who, by reason of there being an independent contractor or for any other reason, is not the direct employer of the workmen there employed.’ ” *Id.* (first quoting I.C. § 72-223(1); and then quoting *Kolar*, 142 Idaho at 352, 127 P.3d at 968).

Consistent with the broad definition of employer, Bauer has two employers under the Act. First, Evans is Bauer’s direct employer. Second, Stack is Bauer’s statutory employer because Stack contracted with Evans for plumbing work and would be liable to pay Evans’ employees’ worker’s compensation benefits if Evans failed to meet its obligations under the Act. *See* I.C. § 72-301(1); *Richardson*, 167 Idaho at 350–51, 470 P.3d at 1159–60. These relationships are depicted in the image below:



Because Stack and Evans are both Bauer’s employers under the Act, they are immune from tort liability under the exclusive remedy rule. *See Richardson*, 167 Idaho at 351, 470 P.3d at 1160.

“[T]he full scope of immunity available under the [Act] is not analyzed unless [section] 72-209(3) is also considered.” *Id.* at 350, 470 P.3d at 1159. Under Idaho Code section 72-209(3), “[t]he exemption from liability . . . shall also extend to the employer’s surety and to all officers, agents, servants and employees of the employer or surety” I.C. § 72-209(3). In other words, the exclusive remedy rule applies to the injured worker’s employer and those who fall under its umbrella of immunity (i.e., its officers, agents, servants, and employees). Myers asserts that it falls under the umbrella of immunity because Stack is also a statutory employer of its employees, thus making Myers an employee of Stack:



Bauer argues that Myers was an independent contractor and therefore did not qualify as an employee of Stack. As a result, it could not be a co-employee of Bauer. Bauer further asserts that, because the nature of the relationship between the parties is in dispute, the right to control test must be applied to resolve the question of whether Myers was Stack’s employee for purposes of the Act. For the reasons discussed below, we agree with Bauer.

“The underlying principle of [the Act] is the existence of an employer-employee relationship.” *Shriner v. Rausch*, 141 Idaho 228, 231, 108 P.3d 375, 378 (2005). “Without that relationship, there is no coverage.” *Id.* Accordingly, “[i]ndependent contractors are outside of the coverage of the [Act] while employees are ordinarily within it.” *Anderson v. Gailey*, 97 Idaho 813, 820, 555 P.2d 144, 151 (1976).

Given that the Act’s coverage turns on the existence of an employer-employee relationship, the legal statuses of employee and independent contractor are mutually exclusive. Myers is either an employee or an independent contractor but cannot simultaneously be both. “[I]ndependent contractors who cause injury to workers who are not employed by them are not immune from third-party liability.” *Smith*, 172 Idaho at 732, 535 P.3d at 1105. As such, the critical inquiry in this case is whether Myers is an employee or an independent contractor. Our analysis begins with the statutory definition of each term.

When interpreting a statute, “provisions are interpreted within the context of the whole statute, not as isolated provisions.” *Lingnaw v. Lumpkin*, 167 Idaho 600, 607, 474 P.3d 274, 281 (2020) (quoting *State v. Burke*, 166 Idaho 621, 623, 462 P.3d 599, 601 (2020)). “Legislative definitions of terms included within a statute control and dictate the meaning of those terms as used in the statute.” *White v. Mock*, 140 Idaho 882, 890, 104 P.3d 356, 364 (2004) (citing *Roe v. Hopper*, 90 Idaho 22, 408 P.2d 161 (1965)). This Court “interpret[s] statutes relating to one another in pari materia and construe[s] the [relevant act] as ‘one system’ to ‘carry into effect the intention’ of the legislature.” *Milus v. Sun Valley Co.*, 175 Idaho 749, 762, 571 P.3d 408, 421 (2025) (quoting *Sankey v. Ivey*, 172 Idaho 574, 589, 535 P.3d 198, 213 (2023)). We “infer that a code of statutes relating to one subject was governed by one spirit and policy, and was intended to be consistent and harmonious in its several parts and provisions.” *Id.* (citation modified).

The Act defines “employee” as “synonymous with ‘workman’ and means any person who has entered into the employment of, or who works under contract of service or apprenticeship with, an employer.” I.C. § 72-102(11). The Act does not define what constitutes a “contract of service.” However, the Act does define who constitutes an “employee[] in private employment” and who constitutes an “employee[] in public employment.” I.C. §§ 72-204, 72-205. Both definitions refer to individuals “under any contract of hire.” I.C. §§ 72-204(2), 72-205(1). This Court has held that the term “contract for hire” in the Act “denotes an employer/employee relationship, and not simply any contractual hiring arrangement.” *Daleiden v. Jefferson Cnty. Joint Sch. Dist. No. 251*, 139 Idaho 466, 470, 80 P.3d 1067, 1071 (2003).

Looking at the Act as a whole and applying a consistent and harmonious construction of the various definitions relating to the term “employee,” we conclude that, for purposes of the Act, to constitute an employee, one must be more than just a party to a contract. Instead, it must have an employer/employee relationship with the statutory employer.

In contrast, the Act defines “independent contractor” as “any person who renders service for a specified recompense for a *specified result*, under the right to control or actual control of his principal as to the result of his work only and not as to the means by which such result is accomplished.” I.C. § 72-102(16) (emphasis added). The definition of “independent contractor” highlights that the principal has a right to control the results of the work, not the manner in which those results are achieved.

Importantly, a party's status as an employer does not automatically mean that everybody working under the employer is a statutory employee. Although the contractor becomes the statutory employer of the subcontractor's employees for purposes of the Act, *see* I.C. § 72-102(12)(a), the subcontractor would still be an independent contractor because the contractor does not control the method in which it accomplishes its work, *see* I.C. § 72-102(16). Accordingly, the broad definition of "employer" in the Act allows a contractor to be a direct employer over its own employees or a statutory employer over the employees of its independent contractors. In contrast, determining whether an individual is an employee or independent contractor for purposes of the Act requires a different inquiry that focuses on the specifics of the employment relationship. *See Fuhriman*, 143 Idaho at 806, 153 P.3d at 486 (finding that the statutory employer and employee/independent contractor analysis are separate).

In the context of worker's compensation, this Court has consistently applied the "right to control test" to determine whether an individual is an employee or an independent contractor. *Burns v. Nyberg*, 108 Idaho 151, 154, 697 P.2d 1165, 1168 (1985) ("The primary test in Idaho is whether a contract gives, or the employer assumes, the right to control the time, manner and method of executing the work, as distinguished from the right merely to require certain definite results in conformity to the contract."); *Kiele v. Steve Henderson Logging*, 127 Idaho 681, 683, 905 P.2d 82, 84 (1995) ("The test in determining whether a worker is an independent contractor or an employee is whether the contract gives, or the employer assumes, the right to control the time, manner and method of executing the work, as distinguished from the right merely to require certain definite results."); *State ex rel. Indus. Comm'n v. Sky Down Skydiving, LLC*, 166 Idaho 564, 571, 462 P.3d 92, 99 (2020) ("The test for determining whether a worker meets the statutory definitions of employee or independent contractor is one of control."). Because the parties dispute whether Myers is an independent contractor or an employee, the right to control test must be applied in this case.

The contrary result reached by the district court relied on three decisions of this Court. Those decisions, however, do not support the conclusion that the existence of a subcontractor relationship overrides the right to control test for purposes of determining whether a subcontractor is an employee or independent contractor under the Act.

First, the district court relied on this Court's holding in *Fuhriman*, 143 Idaho 800, 153 P.3d 480. That decision is distinguishable because it evaluated whether a party was a statutory

employer, which is not relevant to whether Myers is a statutory employee or independent contractor. In *Fuhriman*, this Court held that control does not need to be considered when determining if a party is a statutory employer. 143 Idaho at 806, 153 P.3d at 486. Importantly, this Court noted that doing so erroneously combines the statutory employer and independent contractor analysis when those “are two separate steps and the factors of one analysis should not be automatically imputed onto the other.” *Id.* As such, we held that “the ‘right to control’ test need not be applied when determining whether a person is a . . . statutory employer.” *Id.* Because *Fuhriman* acknowledged that the employee/independent contractor analysis is distinct from the statutory employer analysis, *id.*, our decision in that case does not preclude use of the right to control test to evaluate whether Myers is an employee or an independent contractor.

Second, the district court cited to *Richardson*, 167 Idaho at 352–53, 470 P.3d at 1161–62, for the premise that “entities subcontracting under a statutory employer, as well as the employees of any such subcontracting entity, are statutory employees of the statutory employer for purposes of the [Act.]” While *Richardson* is factually similar, it is distinguishable because the parties did not contend that the respondent businesses were independent contractors. In *Richardson*, a general contractor, Hayden Homes, contracted with three subcontractors to perform work for the construction of a home. 167 Idaho at 348, 470 P.3d at 1157. It contracted with Z & H Construction for framing work, Plumbing Unlimited for plumbing work, and Alignment Construction for carpentry work. *Id.* Z & H, in turn, contracted with Hernandez Framing to complete the framing work. *Id.* Richardson, an employee of Alignment, was injured while working on the home when a crawl space cover collapsed beneath him and he fell into the crawl space. *Id.* at 347–48, 470 P.3d at 1156–57. Richardson received worker’s compensation benefits through Alignment’s insurance. *Id.*

Richardson sued Z & H, Hernandez, and Plumbing Unlimited for negligence and negligent supervision. *Id.* Z & H and Hernandez moved for summary judgment, claiming they were immune from tort liability under the exclusive remedy rule. *Id.* The district court granted the motion for summary judgment after concluding that Z & H, Hernandez, and Richardson were statutory co-employees. *Id.* at 348–49, 470 P.3d at 1157–58. On appeal, this Court affirmed. *Id.* at 353, 470 P.3d at 1162. This Court agreed that Hayden was Richardson’s statutory employer, and that Z & H and Hernandez were employees of Hayden. *Id.* at 351, 470 P.3d at 1160. This Court then concluded that Z & H and Hernandez were statutory co-employees and, as such, they were entitled

to the exclusive remedy immunity pursuant to Idaho Code section 72-209. *Id.* at 352–53, 470 P.3d at 1161–62.

Myers argues that “[f]or purposes of summary judgment, the facts in this case are identical to those in *Richardson*.” However, there is a key difference between the cases. *Richardson*’s arguments on appeal asserted that the definition of employee only included natural people, not LLCs, and that co-employee immunity could only extend to direct employees. *Richardson*, 167 Idaho at 351, 470 P.3d at 1160. *Richardson* did not assert that Z & H and Hernandez were independent contractors or that the right to control test should be applied. As discussed above, the right to control test is applied in worker’s compensation cases to distinguish between employees and independent contractors. *Sky Down Skydiving, LLC*, 166 Idaho at 571, 462 P.3d at 99 (“The test for determining whether a worker meets the statutory definitions of employee or independent contractor is one of control.”). Because this Court was not asked in *Richardson* to decide whether the right to control test should be applied to determine whether the subcontractors were employees or independent contractors, the decision in *Richardson* does not control the outcome here.

Finally, the district court considered our recent decision in *Smith*. Smith was an employee of Amalgamated Sugar Co. *Smith*, 172 Idaho at 728, 535 P.3d at 1101. Amalgamated contracted with Excel Fabrication to fabricate steel mezzanines for new tanks at its facility. *Id.* The contract labeled Excel an independent contractor. *Id.* Smith was injured when he fell after a handrail fabricated by Excel broke. *Id.* Smith received worker’s compensation benefits through Amalgamated’s worker’s compensation insurer and later sued Excel for negligence. *Id.* Excel moved for summary judgment, claiming it was immune from liability under the exclusive remedy rule because it was Smith’s co-employee. *Id.* The district court granted the motion. *Id.*

This Court reversed the district court’s decision granting summary judgment. *Id.* at 736, 535 P.3d at 1109. We held that Excel was not entitled to immunity because it was neither a statutory employer nor a co-employee of Smith. *Id.* at 729, 535 P.3d at 1102. We further held that the district court erred when it held that Amalgamated was Excel’s statutory employer because the Act draws a distinction between “independent contractors” and “contractors and subcontractors.” *Id.* at 730–36, 535 P.3d at 1103–09. As discussed above, category one statutory employers “include contractors and subcontractors.” *Richardson*, 167 Idaho at 350, 470 P.3d at 1159. Our discussion concerning category one statutory employers was the focus of the parties’ arguments below and also the district court’s analysis.

In *Smith*, we held that, according to its contract with Amalgamated, Excel was neither a contractor nor a subcontractor but instead was an independent contractor. 172 Idaho at 732–33, 535 P.3d at 1105–06. Because Amalgamated was not Excel’s statutory employer under Idaho Code section 72-223, Excel could not be Smith’s co-employee under section 72-209(3). *Id.* at 735, 535 P.3d at 1108.

The district court concluded that *Smith* did not support Bauer’s position because the respective contracts between Stack and Evans and Stack and Myers were titled “Standard Form Subcontract.” The district court concluded that this title established that Evans was a subcontractor of Stack rather than an independent contractor. Because of this, the district court concluded that *Smith* was distinguishable and therefore, Stack was the statutory employer of Evans’ and Myers’ employees, which made Myers a statutory co-employee of Bauer.

However, as the district court noted in this case, “the *Smith* Court did not even apply or otherwise mention the four-factor ‘right to control’ test within its analysis.” As in *Richardson*, the appellant in *Smith* did not raise any argument concerning the right to control test. For this reason, *Smith* does not control here.

Moreover, the implication that labels such as “subcontractor” or “independent contractor” in a contract control the access to immunity under the Act is unpersuasive. It is wholly impractical to determine the applicability of immunity under the exclusive remedy rule based on contract labels, such as “subcontractor” or “independent contractor.” This would cause confusion where the contracting parties do not use the keywords “independent contractor” or “subcontractor,” and incentivize the tactical use of particular terms in contracts, regardless of the actual employment relationship. Our caselaw is clear that “[t]he ultimate question in finding an employment relationship is whether the employer assumes the right to control the time, manner and method of executing the work of the employee, as distinguished from the right merely to require certain definite results in conformity with their agreement.” *Burdick v. Thornton*, 109 Idaho 869, 871, 712 P.2d 570, 572 (1985). That determination requires looking to more than contract labels. Rather, it requires an evaluation of the actual relationship between the parties through the right to control test.

For all the reasons discussed above, the right to control test must be applied to determine if Myers is an employee of Stack, in which case it is a co-employee of Bauer and falls under the umbrella of the exclusive remedy rule, or if Myers is an independent contractor, in which case it

does not fall under the umbrella of immunity. “Whether an injured worker is an independent contractor or employee is a factual determination to be made on a case-by-case basis from full consideration of the facts and circumstances.” *Stoica v. Pocol*, 136 Idaho 661, 663, 39 P.3d 601, 603 (2001).

In this case, Myers’ summary judgment motion was premised entirely on its assertion that it was a subcontractor of Stack and therefore Stack was its statutory employer, and that Stack was also a statutory employer of Bauer and therefore Stack was Bauer’s co-employee. Myers asserted the right to control test was inapplicable here. As discussed above, these assertions are unpersuasive. We hold that the district court erred in declining to apply the right to control test to determine whether Myers was an employee or independent contractor of Stack. For these reasons, we reverse the district court’s decision granting summary judgment in favor of Myers.

IV. CONCLUSION

For the above reasons, we reverse and remand for proceedings consistent with this opinion.

Chief Justice BRODY, and Justices BEVAN, MOELLER, and MEYER CONCUR.