

SUPREME COURT OF WYOMING

Circle C Resources, Inc. v. Kobielsuz

320 P.3d 213 (Wyo. 2014) · Decided March 11, 2014

SUMMARY

The Wyoming Supreme Court affirmed an administrative determination awarding workers' compensation benefits to Tara Kobielsuz. The court held that substantial evidence supported the finding that she was an employee of Circle C Resources rather than an independent contractor under Wyoming's Workers' Compensation Act. The court concluded that Circle C exercised control over the details of her services and that the other statutory independent-contractor elements were also unsupported.

CASE DETAILS

COURT	Supreme Court of Wyoming
WRITING FOR THE COURT	Burke, Justice; Burke; Davis; Hill; Kite; Voigt
JURISDICTION	Wyoming
DECIDED	March 11, 2014
DISPOSITION	affirmed
PROCEDURAL POSTURE	Circle C appealed an Office of Administrative Hearings determination awarding workers' compensation benefits to Kobielsuz and finding that she was an employee rather than an independent contractor. The district court affirmed the agency decision, and Circle C timely appealed to the Wyoming Supreme Court.
STANDARD OF REVIEW	The Supreme Court reviews an administrative appeal as though it came directly from the agency. Agency factual findings are reviewed for substantial evidence, meaning relevant evidence that a reasonable mind might accept in support of the agency's conclusions; legal conclusions are reviewed de novo.
PRECEDENTIAL VALUE	Published Wyoming Supreme Court opinion; precedential.
PARTIES	Circle C Resources, Inc. v. Tara L. Kobielsuz, Wyoming Workers' Safety and Compensation Division

TOPICS

workers compensation

administrative law

statutory interpretation

standard of review

appellate procedure

PRACTICE AREAS

workers' compensation

administrative law

employment law

QUESTIONS PRESENTED

1. Whether substantial evidence supported the agency's determination that Kobielsuz was an employee rather than an independent contractor under the Wyoming Workers' Compensation Act.
2. Whether the statutory definition of independent contractor requires satisfaction of all three statutory elements.
3. Whether the agency permissibly considered common-law employee-independent-contractor factors in evaluating the statutory control element.

HOLDINGS

1. Substantial evidence supported the hearing examiner's determination that Kobielsuz was not an independent contractor and therefore was an employee eligible for workers' compensation benefits.
2. The three elements in Wyo. Stat. Ann. § 27-14-102(a)(xxiii) are conjunctive; an individual must satisfy each element to qualify as an independent contractor under the Workers' Compensation Act.
3. It is permissible to consider common-law factors such as method of payment, the right to terminate without liability, furnishing tools and equipment, and control of the premises when evaluating whether the worker was free from control or direction over the details of service performance under the statute.

KEY QUOTATIONS

"Accordingly, Wyo. Stat. Ann. § 27-14-102(a)(xxiii) establishes a three-part test, each element of which must be satisfied in order for an individual to qualify as an independent contractor." (320 P.3d at 216)

"Accordingly, despite the differences in the common law and statutory tests for determining whether a worker is an employee or an independent contractor, we find that in the context of a worker's compensation claim, it is not inappropriate to consider the common law factors as they relate to "control or direction over the details of the performance of services."" (320 P.3d at 222)

FACTUAL BACKGROUND

Circle C Resources provided living-assistance services for persons with developmental disabilities. Kobielsuz provided host-family services for Circle C clients under agreements requiring extensive duties, compliance with individual care plans, mandatory meetings and training, recordkeeping, inspections, and adherence to Circle C policies. Circle C determined her rate of pay, controlled aspects of her schedule and leave, leased and furnished the host home, and required her to vacate the home when her services ended. Kobielsuz injured her ankle while entering Circle C's office to pick up clients, and the Division determined that the injury was compensable.

PROCEDURAL HISTORY

The Wyoming Workers' Safety and Compensation Division determined that Kobielsuz suffered a compensable injury. Circle C objected and requested a contested-case hearing, asserting that Kobielsuz was an independent

contractor and disputing the manner of injury. The Office of Administrative Hearings upheld the Division's determination, the district court affirmed, and the Wyoming Supreme Court affirmed the district court.

DISPOSITION

affirmed

CASES CITED

- Guier v. Teton County Hospital District, 2011 WY 31, 248 P.3d 623 (Wyo. 2011)
- Singer v. New Tech Engineering L.P., 2010 WY 31, 227 P.3d 305 (Wyo. 2010)
- Dale v. S & S Builders, LLC, 2008 WY 84, 188 P.3d 554 (Wyo. 2008)
- Middlemass v. State ex rel. Wyoming Workers' Safety and Compensation Division, 2011 WY 118, 259 P.3d 1161 (Wyo. 2011)
- Clark v. State ex rel. Wyoming Workers' Safety and Compensation Division, 968 P.2d 436 (Wyo. 1998)
- Prickett v. Prickett, 2007 WY 153, 167 P.3d 661 (Wyo. 2007)
- Diamond B Services, Inc. v. Rohde, 2005 WY 130, 120 P.3d 1031 (Wyo. 2005)
- Natural Gas Processing Co. v. Hull, 886 P.2d 1181 (Wyo. 1994)
- Coates v. Anderson, 2004 WY 11, 84 P.3d 953 (Wyo. 2004)
- Burnett v. Roberts, 57 Wyo. 511, 121 P.2d 896 (1942)
- Rustler Lodge v. Industrial Commission, 562 P.2d 227 (Utah 1977)
- Talley v. Bowen Construction Co., 340 S.W.2d 701 (Mo. 1960)
- Odle v. Charcoal Iron Co., 217 Mich. 469, 187 N.W. 248 (1922)
- Noonan v. Texaco, Inc., 713 P.2d 160 (Wyo. 1986)
- Combined Insurance Co. v. Sinclair, 584 P.2d 1034 (Wyo. 1978)
- In re Claims of Naylor, 723 P.2d 1237 (Wyo. 1986)
- In re Reed, 444 P.2d 329 (Wyo. 1968)
- Stratman v. Admiral Beverage Corp., 760 P.2d 974 (Wyo. 1988)
- Cline v. State, Department of Family Services, 927 P.2d 261 (Wyo. 1996)