

SUPREME COURT OF THE STATE OF IDAHO

Western Home Transport, Inc. v. Idaho Department of Labor

155 Idaho 950 (2014) · No. 40462 · Decided February 11, 2014

SUMMARY

The Idaho Supreme Court reviewed whether owner/operators hauling goods for Western Home Transport were engaged in covered employment under Idaho's Employment Security Law. The Court overruled part of Giltner's bright-line rule concerning the relevance of a motor carrier's federal transportation authority, vacated the Industrial Commission's decision, and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of the State of Idaho
WRITING FOR THE COURT	W. Jones, Justice; Burdick, Chief Justice; Eismann, Justice; J. Jones, Justice; Horton, Justice
JURISDICTION	Idaho
DECIDED	February 11, 2014
DOCKET	40462
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Western Home Transport appealed the Idaho Industrial Commission's affirmance of an Idaho Department of Labor determination imposing unemployment insurance taxes and penalties.
STANDARD OF REVIEW	The Court exercises free review of the Commission's legal conclusions.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential.
PARTIES	Western Home Transport, Inc. v. Idaho Department of Labor

TOPICS

unemployment benefits administrative law statutory interpretation appellate procedure standard of review

PRACTICE AREAS

employment law unemployment benefits administrative law appellate procedure

QUESTIONS PRESENTED

1. Whether the owner/operators were presumed to be engaged in covered employment under Idaho's Employment Security Law.
2. Whether Western could establish the independent-business prong of the exemption in Idaho Code section 72-1316(4) based on the owner/operators' use of Western's DOT authority.
3. Whether the Idaho Industrial Commission applied an erroneous bright-line rule by treating the source of the owner/operators' DOT authority as dispositive of independent-business status.

HOLDINGS

1. The source of an owner/operator's DOT or other federal or state authority to haul goods interstate for a motor carrier is not a relevant factor in analyzing whether the owner/operator is engaged in an independently established trade, occupation, profession, or business.
2. The Commission must reconsider whether Western satisfied the second prong of Idaho Code section 72-1316(4) without considering the source of the owner/operators' DOT authority as a factor.

KEY QUOTATIONS

“The source of an owner/operator’s DOT or other federal or state authority to haul goods interstate for a motor carrier is not a relevant factor for the analysis of the second prong in I.C. § 72-1316(4).” (155 Idaho 954)

“Giltner’s determination that owner/operators “solely dependent” on a motor carrier’s “DOT authority to haul goods in interstate commerce” cannot “as a matter of law . . . be engaged in an independently established trade, occupation, profession or business” was clearly incorrect and Giltner’s holding on that point is overruled.” (155 Idaho 954)

FACTUAL BACKGROUND

Western Home Transport facilitated interstate transportation of oversized mobile homes and leased transportation equipment from owner/operators. The owner/operators transported the homes under Western's motor-carrier authority, and Western paid them a percentage of each haul. Following an audit covering January 1, 2008, through December 31, 2010, the Idaho Department of Labor assessed \$13,277.93 in unemployment insurance taxes and penalties, concluding that the owner/operators performed covered employment.

PROCEDURAL HISTORY

The Idaho Department of Labor determined that Western owed \$13,277.93 in unemployment insurance taxes and penalties based on remuneration paid to interstate owner/operators. An appeals examiner affirmed the determination, and the Idaho Industrial Commission affirmed after de novo review. The Idaho Supreme Court vacated the Commission's decision and remanded for reconsideration under the proper statutory standard.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The Idaho Industrial Commission must determine whether Western satisfied the second prong of Idaho Code section 72-1316(4) without considering the source of the owner/operators' DOT authority as a factor.

CASES CITED

- Giltner, Inc. v. Idaho Dep't of Commerce & Labor, 145 Idaho 415, 179 P.3d 1071 (2008)
- John L. King, P.A. v. Dep't of Emp't, 110 Idaho 312, 715 P.2d 982 (1986)
- Software Assocs., Inc. v. Dep't of Emp't, 110 Idaho 315, 715 P.2d 985 (1986)
- Excell Constr., Inc. v. Dep't of Labor, 141 Idaho 688, 116 P.3d 18 (2005)
- Hernandez v. Triple Ell Transport, Inc., 145 Idaho 37, 175 P.3d 199 (2007)
- Greenough v. Farm Bureau Mut. Ins. Co. of Idaho, 142 Idaho 589, 130 P.3d 1127 (2006)
- Houghland Farms, Inc. v. Johnson, 119 Idaho 72, 803 P.2d 978 (1990)
- State v. Maidwell, 137 Idaho 424, 50 P.3d 439 (2002)
- Gilman v. Davis, 138 Idaho 599, 67 P.3d 78 (2003)

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