

**BEFORE THE INDUSTRIAL COMMISSION OF THE STATE OF IDAHO**

SEAN BALES,

Claimant,

v.

SCAFCO CORP.,

Employer,

and

TWIN CITY FIRE INSURANCE COMPANY,

Surety,  
Defendants.

**IC 2020-012133**

**ORDER DENYING CLAIMANT'S  
MOTION FOR RECONSIDERATION**

**FILED SEPTEMBER 10, 2026  
IDAHO INDUSTRIAL  
COMMISSION**

On July 10, 2026, the above-referenced parties filed a settlement agreement (“Lump Sum Agreement” or “LSA”) with the Idaho Industrial Commission (“Commission”) pursuant to Idaho Code § 72-404. On July 13, 2026, the Commission issued an Order of Dismissal with Prejudice (“Dismissal”) pursuant to Idaho Code § 72-404(6). On July 15, 2026, the Commission issued an *Order Approving Attorney Charging Lien*, approving the claim for attorney fees in the amount of \$74,000 and costs in the amount of \$4,254.00.

On August 4, 2026, Claimant, on his own behalf, filed an *Attorney Fee Discrepancy* email, which the Commission construes as a *Motion for Reconsideration* pursuant to Idaho Code § 72-718. Defendants did not respond.

On August 24, 2026, Claimant’s attorney filed *Claimant Counsel’s Response* with the *Declaration of Karen Ellinger*.

The Commission has reviewed the pleadings and issues this order denying Claimant’s Motion for Reconsideration.

## **CONTENTIONS OF THE PARTIES**

Claimant requests that the Commission reconsider the *Order Approving Attorney Charging Lien*. Claimant argues that, prior to his mediation, his attorney agreed to attorney fees in the amount of \$40,000. Claimant represents that he did not understand that the attorney's fee would increase from the previously discussed amount of \$40,000. Claimant has requested his attorney provide him with the following: a complete itemized settlement accounting; an explanation of how the attorney fee was calculated; an explanation for the change from the represented \$40,000 fee to approximately \$74,000; and a breakdown of all deductions from the settlement proceeds.

## **STANDARDS OF RECONSIDERATION**

Under Idaho Code § 72-718, a decision of the Commission, in the absence of fraud, shall be final and conclusive as to all matters adjudicated, provided that within 20 days from the date of the filing of the decision, any party may move for reconsideration. However, “[i]t is axiomatic that a [party] must present to the Commission new reasons factually and legally to support a hearing on [a] Motion for Rehearing/Reconsideration rather than rehashing evidence previously presented.” *Curtis v. M.H. King Co.*, 142 Idaho 383, 388, 128 P.3d 920 (2005).

The Commission may reverse its decision upon a motion for reconsideration, or rehear the decision in question, based on the arguments presented, or upon its own motion, provided that it acts with the time frame established in Idaho Code § 72-718. *See Dennis v. School District No. 91*, 135 Idaho 94, 97, 15 P.3d 329, 332 (2000) (citing *Kindred v. Amalgamated Sugar Co.*, 114 Idaho 284, 756 P.2d 410 (1988)). A motion for reconsideration must be properly supported by a recitation of the factual findings and/or legal conclusions with which the moving party takes issue. However, the Commission is not inclined to re-weigh evidence and arguments during reconsideration simply because the case was not resolved in a party's favor.

## DISCUSSION

### *Settlement Agreements under Idaho Code § 72-404*

Under Idaho Workers' Compensation Law, parties "may compromise and settle claims by way of agreements for lump sum payments, future payments, accrued income benefits, future income benefits, medical cost reimbursements, and other benefits payable" under the act. Idaho Code § 72-404(1).

On July 1, 2022, Idaho Code § 72-404 was substantially amended to largely remove the Commission's authority to review and approve proposed settlement agreements. Prior to July 1, 2022, the Commission was required to review all proposed settlement agreements and determine if the proposed settlement agreement was in the best interest of the parties. Now, the Commission only retains this authority in certain, limited scenarios – in cases where at least one of the parties is unrepresented by counsel or where a party is a minor child or legally incompetent person.

In cases where both parties are represented by counsel "commission approval is not required for parties to enter into enforceable compromise or settlement agreements." Idaho Code § 72-404(2). A represented party may request the Commission to review and approve a proposed compromise or settlement agreement. Idaho Code § 72-404(2). If such review is desired, the party shall make the request *contemporaneously* with the submission of the proposed settlement agreement to the Commission and shall be accompanied by such documents or explanation as the requesting party desires the Commission to consider in connection with the proposed settlement. Rule 18A(6) of the Judicial Rules of Practice and Procedure Under the Idaho Workers' Compensation Law ("JRP"), effective July 9, 2025.

A settlement agreement shall include, at a minimum, a detailed ledger of all benefits paid or disputed and all terms agreed upon by the parties. Idaho Code § 72-404(5). A settlement

agreement “shall be effective on the date it is filed with the commission and shall for all purposes constitute an adjudication of the claims resolved in the settlement agreement.” Idaho Code § 72-404(5). Within seven days of the filing of a settlement agreement, the Commission shall issue a notice of dismissal with prejudice. Idaho Code § 72-404(6).

Pursuant to this statute, if both parties are represented by counsel and do not request approval by the Commission, the Commission’s review of the settlement agreement is limited to merely ascertain if the minimum filing requirements of Idaho Code § 72-404 are met. Essentially, the Commission’s review of the agreement is primarily for recordkeeping purposes. *See* Idaho Code § 72-404(5) (“All compromise and settlement agreements shall be filed with the commission for recordkeeping purposes and for purposes of assessment under section 72-327, Idaho Code”).

In compliance with Idaho Code § 72-404, in scenarios where both parties are represented by counsel and do not request approval by the Commission, the Commission only requires that a settlement agreement identify the attorney who prepared it, the surety name, the claim number, set forth the terms of the agreement, affirm that the claimant is neither a minor child nor legally incompetent, that it be signed by the parties and their attorneys, and include a ledger of benefits paid or disputed. *See* JRP 18A(1). A settlement agreement meeting these basic requirements is deemed filed and “shall constitute a final decision of the Commission under Idaho Code § 72-718, effective the date of filing.” JRP 18A(4). The Commission then enters a dismissal of the claim with prejudice, subject to the terms of the settlement agreement, within seven days of its filing. JRP 18A(5); *see also* Idaho Code § 72-404(6).

Here, on or around July 10, 2026, the parties submitted a settlement agreement pursuant to Idaho Code § 72-404.

Both parties were represented by counsel, Claimant is not a minor child or legally incompetent, and neither party requested that the Commission approve the proposed settlement agreement pursuant to Idaho Code § 72-404(2) and JRP 18A(6). *Settlement Agreement*, 5.

The LSA identified the attorney who prepared it, provided the surety's name and claim number, contained the terms of the agreement, included an affirmation that the Claimant is neither a minor child nor legally incompetent, and also included a ledger of all benefits paid and disputed. The LSA was signed by the parties. *Settlement Agreement*, 6.

The LSA contained all the requirements as outlined in Idaho Code § 72-404 and JRP 18A(1). Therefore, it was deemed filed effective July 13, 2026. The LSA included provisions for the sum of \$249,000.00 as "full and final settlement of Claimant's claim." *Settlement Agreement*, 3. Contemporaneous with the LSA, Claimant filed a *Claimant's Attorney Charging Lien*, requesting attorney fees of \$74,700 and costs of \$4,254.00, consistent with a 30% fee on the *Settlement Agreement's* consideration of \$249,000.00 and IDAPA 17.01.01.802.

Per IDAPA 17.01.01.802(b), a 30% fee on available funds is presumed reasonable for a case in which a hearing has been held and briefs have been submitted (or waived). Claimant's Counsel represented that there was a two-day hearing, and this claim was "the single most contentious WC claim" in Counsel's experience, and required more time and effort to resolve than other claims. *Addendum to Claimant Attorney Charging Lien*. The fee is appropriate under the circumstances.

On July 13, 2026, the Commission entered an order dismissing the claim with prejudice pursuant to Idaho Code § 72-404(6) and JRP 18A(5). *See Order of Dismissal with Prejudice*, pp 1. On July 13, 2026, the Commission issued its *Order Approving Attorney Charging Lien*.

Although the Commission's July 13, 2026, Order of Dismissal with Prejudice and the accompanying *Order Approving Attorney Charging Lien* constitute "decisions" subject to reconsideration pursuant to Idaho Code § 72-718, the Commission determines that, under these circumstances, our authority to reconsider a filed settlement agreement is limited to our very narrow administrative and recordkeeping function as contemplated by Idaho Code § 72-404 and JRP 18A.

In other words, the Commission may only reconsider whether the LSA met the basic filing requirements as outlined in Idaho Code § 72-404 and JRP 18A. Upon review of the record, the Commission concludes that the LSA met these requirements. The *Order Approving Charging Lien* is consistent with the LSA terms. Therefore, the Commission determines that there are no grounds to reconsider the LSA *Order of Dismissal with Prejudice* or the *Order Approving Attorney Charging Lien*. The LSA *Order of Dismissal with Prejudice* is deemed filed and effective on the date of filing and its terms, including the provisions on attorney fees, will not be altered on reconsideration.

It would be inappropriate, and outside our authority, to review on reconsideration whether a filed settlement agreement was in the best interest of the parties when, as is the case here, no party requested the Commission to conduct such a review and approval at the time the settlement agreement was filed. Therefore, the LSA's consideration amount of \$249,000 constitutes the "available funds" upon which the attorney fees are calculated. The fee is appropriate under the circumstances.

On August 24, 2026, Claimant's attorney filed *Claimant Counsel's Response* detailing the settlement amount, the process by which it was approved, and any subsequent discussions that he had with Claimant regarding the settlement of his case. *Claimant Counsel's Response*, 3-4.

Also included with this filing was the *Declaration of Karen Ellinger*, Claimant Counsel's paralegal, who reiterates that at no point did Bryan Storer, Claimant's Counsel, represent to Claimant that attorney fees would be equal to \$40,000.00. *Declaration of Karen Ellinger*, 2.

We sympathize with Claimant's concern that the attorney fees exceed what he expected prior to the mediation. We note that the amount of available funds would not have been known prior to the mediation. Claimant has acceded that the LSA accurately reflects the consideration paid and Claimant signed the LSA. Prior to the LSA, on March 30, 2024, Claimant signed an Attorney-Client Contract/Disclosure Statement for Worker's Compensation Claim, and that contract specified 30% attorney's fee for cases in which a hearing on the merits has been completed. *Claimant's Attorney Charging Lien*. Based on the LSA and the Attorney-Client Contract/Disclosure Statement for Worker's Compensation Claim, the attorney fees were consistent with the LSA, the fee agreement, and the relevant regulations. Therefore, Claimant's motion for reconsideration is DENIED.

### **ORDER**

Based on the foregoing, Claimant's motion for reconsideration is DENIED. **IT IS SO ORDERED.** Pursuant to I.C. § 72-718, this decision is final and conclusive as to all matters adjudicated.

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DATED this 10th day of September, 2026.

INDUSTRIAL COMMISSION

*Claire Sharp*

Claire Sharp, Chair



*Aaron White*

Aaron White, Commissioner

ATTEST:

*M. Womer*

Commission Secretary

**CERTIFICATE OF SERVICE**

I hereby certify that on 10th day of September, 2026, a true and correct copy of the foregoing **ORDER DENYING CLAIMANT'S MOTION FOR RECONSIDERATION** was served upon the following:

\_\_\_\_ US MAIL    ☒ EMAIL

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SEAN BALES  
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Commission Secretary