
LIABILITY FOR NEGLIGENT SELECTION OF AN INDEPENDENT CONTRACTOR IN MINNESOTA

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Introduction

In 2024, the Minnesota Supreme Court decided the case of *Alonzo v. Menholt* in which negligent selection of an independent contractor was officially recognized as an available tort claim. In order to prevail, a claimant must demonstrate that the principal failed to exercise reasonable care in selecting an independent contractor and that this failure caused the resulting harm. To determine the reasonable care required in selecting an independent contractor, the principal must consider the risk exposure to others if the work is not done correctly and whether any special skill or training is required to do the work. The Court did not anticipate an increase in litigation following *Alonzo* because it reasoned that most principals are sophisticated entities with the resources to adequately vet their independent contractors and protect themselves from liability for negligent selection of an independent contractor.

As expected, there have not been many subsequent cases involving claims for negligent selection of an independent contractor. However, the few cases involving negligent selection of an independent contractor have provided important insights. One such case helped define the parameters of what kind of work is considered to require special skill or training. Another provided that a *Pierringer* release between the claimant and the independent contractor will not absolve the principal of liability for negligent selection of an independent contractor. These cases establish how claims for negligent selection of an independent contractor may be handled in the future.

In addition, the *Alonzo* decision may impact liability exposure for freight brokers in Minnesota, as freight brokers are often the party selecting the independent contractor for the principal. There is presently a case before the U.S. Supreme Court regarding whether state or federal law governs cases regarding freight broker liability for negligent selection of an independent contractor. That case will be determinative for freight broker liability exposure in Minnesota.

Alonzo v. Menholt Overview

The case of *Alonzo v. Menholt* involved a motor vehicle accident between two semi-trucks hauling sugar beets. *Alonzo v. Menholt*, 9 N.W.3d 148, 150 (Minn. 2024). One of the semi-truck drivers had been hired by an independent contractor, Braaten Farms, to haul sugar beets for Menholt Farms. *Id.* at 151. The independent contractor did no investigation into the driver's qualifications and Menholt Farms never inquired into the independent contractor's hiring process. *Id.* The other semi-truck driver subsequently sued Menholt Farms pursuant to a claim for negligent selection of an independent contractor. *Id.*

The Minnesota courts had not previously recognized the tort of negligent selection of an independent contractor. *Id.* at 152. However, the Court decided to establish the cause of action in Minnesota for several reasons. *Id.* First, the Court concluded that negligent selection of an independent contractor was a natural extension of the already recognized torts of negligent credentialing and negligent hiring of an employee. *Id.* at 154-55. Then, the Court acknowledged that negligent selection of an independent contractor had been recognized as a tort in the majority of common law states. *Id.* at 155. Next, the Court concluded that establishing negligent selection of an independent contractor as a tort would not create tension with other applicable laws because the tort holds a principal liable for its *own* negligent selection rather than for the negligent actions of the independent contractor. *Id.* at 156. Lastly, the Court determined that there was no need to address whether the tension between the new tort claim and existing law outweighed the protections provided by the newly recognized tort because negligent selection of an independent contractor did not conflict with any other applicable laws. *Id.* at 156-57.

In recognizing the tort claim for negligent selection of an independent contractor, the Court provided that, in order to prevail, "a claimant must establish that the principal (1) breached their duty to exercise reasonable care in selecting a competent and careful contractor, and (2) that this breach of duty caused the claimant's physical harm." *Id.* at 157-58. The principal's liability is limited to the "physical harm



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caused by their failure to exercise reasonable care to select a competent and careful contractor, but only for such physical harm as is so caused.” *Id.* at 157.

The first element of a claim for negligent selection of an independent contractor pertains to the level of reasonable care required of a principal in selecting an independent contractor and is circumstantial. *Id.* at 158. Factors that are used to determine the degree of care required include: (1) the potential risk exposure to others if the independent contractor’s work is not done correctly, and (2) whether the work to be done is within the competence of the average person or if it requires special skills or training. *Id.* The amount of care required in selecting an independent contractor must be proportionate to the danger of not using such care – more dangerous work requires greater care in selecting an independent contractor and ensuring that the independent contractor has the requisite skills and training. *Id.* The Court concluded that the work at issue in *Alonzo* did not require special skill or training and that *Menholt Farms* had no reason to believe that *Braaten Farms* was not competent to select independent contractors. *Id.* at 153. Therefore, *Menholt Farms* had no duty to inquire about the independent contractor’s selection of workers. *Id.*

The second element of a claim for negligent selection of an independent contractor requires the negligent selection was the proximate cause of the harm. *Id.* at 159. Proximate cause is only established when the principal could have reasonably anticipated the harm because of some quality in the independent contractor which made it negligent for the principal to entrust the work to the independent contractor. *Id.* “In other words, had the principal exercised reasonable care, the principal would have known of that quality and not hired the contractor, and the harm would not have occurred.” *Id.*

In summary, *Alonzo* established negligent selection of an independent contractor as a recognized tort in the state of Minnesota. To prevail on such claim, a claimant must demonstrate that the principal failed to exercise reasonable care in selecting an independent contractor based on the potential risk associated with the work and requisite skills or training needed to do the work. A claimant must also show that the negligent selection of the independent contractor was the proximate cause of the harm suffered.

Post-Alonzo Developments

The Court in *Alonzo* recognized that the tort of negligent selection of an independent contractor may impose additional responsibility on entities that utilize independent contractor services. *Alonzo*, 9 N.W.3d at 158. However, the Court stated that principals who regularly employ independent contractors are often professional entities with greater capacity to understand the work at issue, the associated risks, and to ensure that the independent contractors are competent and careful. *Id.* Therefore, the Court suspected that the new tort would impose few, if any, burdens on principals. *Id.* at 159.

While the *Alonzo* Court did not anticipate a significant change for principals based on its recognition of the negligent selection of an independent contractor tort claim, there have been several post-*Alonzo* decisions that have implications for principals’ liability exposure. The following provides insight into the post-*Alonzo* cases and the potential scope of liability for principals, particularly as it pertains to those in the auto or transit industry.

Smith v. Piechowski

In *Smith v. Piechowski, LLC*, Plaintiff, Smith was a passenger in a vehicle stopped at a red light when a semi-truck rear-ended the vehicle, injuring Smith and killing her husband. *Smith v. Piechowski*, No. A23-0481, 2025 WL 517768 at *1 (Minn. Ct. App. 2025). The semi-truck was driven by the sole owner and operator of a commercial carrier business called SP Trucking, LLC. *Id.* SP Trucking was driving a load of hot asphalt on behalf of Northstar Materials Inc., d/b/a Knife River, pursuant to an independent-truck-operator (ITO) agreement. *Id.* Under the ITO, SP Trucking agreed to transport property for Knife River provided that SP Trucking was an independent contractor who would defend and indemnify Knife River for any liability caused by SP Trucking’s performance. *Id.* Smith sued SP Trucking, its owner, and Knife River. *Id.* Smith asserted claims for negligence and negligent infliction of emotional distress against all defendants and a claim for negligent hiring/retention against Knife River. *Id.*

Subsequently, Smith entered into a *Pierringer* release with SP Trucking and its owner in which Smith agreed to indemnify and hold harmless SP Trucking and its owner from all claims without releasing Knife River for the negligent hiring, retention or any other legal liability. *Id.* at *2. Knife River subsequently moved for summary judgment, arguing that Smith’s release of SP Trucking and its owner also released Knife River because the release of an agent also releases the agent’s principal and the negligent hiring/retention claim was a “derivative claim” barred by the release. *Id.*

Smith opposed Knife River’s motion, arguing that the *Pierringer* release did not bar her claim for direct liability against Knife River for negligent selection of SP Trucking based on Knife River’s own negligence. *Id.* The District Court agreed with Knife River, finding that Smith could not prove SP Trucking’s negligence resulted in an injury to Smith because of the release, preventing her from proving an essential element of the tort claim against Knife River. *Id.*

Smith appealed the district court’s decision. *Id.* at *3. The Court of Appeals affirmed on the ground that Minnesota had not yet recognized the tort of negligent selection of an independent contractor, as Smith’s claim was made before the *Alonzo* decision. *Id.* Smith appealed again, this time after the *Alonzo* decision. *Id.* In light of *Alonzo*, the Supreme Court vacated the lower courts’ decision and remanded the case for review. *Id.*

On remand, the Court of Appeals held that the *Pierringer* release did not release Knife River from all claims. *Id.* at *4. While a release of the actively negligent party also releases the vicariously liable party, a principal may remain independently liable for its own negligence. *Id.* Thus, a *Pierringer* release would only release a principal if its liability was *solely* vicarious. *Id.* The *Pierringer* release only relinquished the claims against Knife River to the extent they were based on Knife River's vicarious liability for SP Trucking's negligence. *Id.* It did not release claims based on Knife River's direct liability. *Id.* Minnesota Courts have typically treated claims similar to negligent selection as direct liability claims. *Id.* at *5. Thus, the Court of Appeals concluded that negligent selection of an independent contractor was a direct liability claim. *Id.* Therefore, Knife River's liability for negligent selection of an independent contractor was not released by the *Pierringer* release. *Id.*

Knife River argued that Smith could not prove an unsafe quality of SP Trucking that caused Smith's injury because the *Pierringer* release required Smith to indemnify and hold harmless SP Trucking. *Id.* at *6. The Court rejected this argument, reasoning that the *Pierringer* release still required the jury determine the comparative fault of the settling defendant. *Id.*

Although *Smith* is an unpublished opinion, it provides important insight to the effects of the *Alonzo* holding in the area of auto defense work. It demonstrates that a *Pierringer* release between an independent contractor and a plaintiff will not provide protection for the principal who selected the independent contractor. This suggests that principals may be assessed greater liability by a jury when conducting a comparative fault evaluation because negligent selection of an independent contractor tort claim provides another route for liability against the principal.

Seelig v. Ramsey County

In 2018, Ramsey County sought to contract with a prison-transport provider. *Seelig v. Ramsey Cnty.*, Minnesota, No. 24-CV-01732 (JMB/ECW), 2025 WL 835761 at *1 (D. Minn., 2025). At the time, Ramsey County's policy required that it approve service contracts to the lowest bidder that met its specifications. *Id.* One bidder, Inmate Services Corporation ("ISC"), had a highly publicized bad reputation relating to its employees violating detainees' rights. *Id.* Ramsey County had knowledge of ISC's reputation, but since ISC provided the lowest bid for the contract they were awarded the contract. *Id.* During the contract term, Ramsey County did not inquire into ISC's compliance with precautionary measures, such as running employee background checks or confirming employee completion of safety training. *Id.*

In March 2020, *Seelig* was being transported from Washington to Ramsey County by ISC and was sexually assaulted by an ISC employee during the trip. *Id.* at *2. In 2024, *Seelig* brought constitutional and tort claims against Ramsey County, asserting that Ramsey County entered into a services contract with ISC despite having knowledge of

ISC's history of abuse allegations. *Id.* One of *Seelig's* claims against Ramsey County was for negligent selection of an independent contractor. *Id.*

Seelig argued that Ramsey County did not use reasonable care when selecting ISC because Ramsey County either failed to investigate or blatantly ignored ISC's history of bad practices. *Id.* at *6. Ramsey County asserted that it was immune from liability pursuant to Minn. Stat. § 466.03, subd. 6, which provides municipalities with immunity for any claim based upon the failure to exercise or perform a discretionary function or duty, whether or not the discretion is abused. *Id.* The Court rejected Ramsey County's argument, finding that hiring decisions were not a protected action under Minn. Stat. § 466.03. *Id.* at *8.

The Court evaluated *Seelig's* allegations pursuant to the *Alonzo* factors, assessing whether *Seelig* adequately demonstrated that Ramsey County did not exercise reasonable care when selecting ISC and this failure was the proximate cause of *Seelig's* harm. *Id.* at *9. The Court discussed that the harm must ultimately result from a quality in the contractor which made it negligent for the employer to entrust the work to the contractor. *Id.* A principal may only be held liable if they could have reasonably anticipated the harm that resulted. *Id.*

The Court held that Ramsey County was subject to a heightened standard of care given the inherently high risk of danger in transporting and caring for detainees. *Id.* As such, Ramsey County was found liable for negligent selection of an independent contractor when it failed to inquire into ISC's procedural compliance despite well-publicized accounts of the company violating detainees' rights in transit. *Id.*

Seelig provides two important takeaways. First, it establishes that hiring decisions, such as for independent contractor transit services, are not considered a discretionary function or duty of a municipality protected by Minn. Stat. § 466.03. This indicates the breadth of applicability of the tort of negligent selection of an independent contractor.

Second, it provides an example of what kind of work is considered to require heightened skills or training. The *Alonzo* Court held that the work at issue – the transportation of produce via semitrucks – did not require special skill or training and, thus, did not impose a more stringent duty of care on the principal when selecting an independent contractor. *Alonzo*, 9 N.W.3d at 153. On the other hand, the *Seelig* Court held that the transportation of detainees required heightened skill or training, thus holding Ramsey County to a higher standard when selecting its independent contractors. *Seelig*, 2025 WL 835761 at *9. This suggests that the ordinary risks associated with driving are less of a consideration, while the function or purpose of the driving is weighed more heavily.

Implications for Freight Broker Liability

The *Alonzo* decision and subsequent cases may have important implications for freight brokers. Freight brokers function as intermediaries, connecting hiring entities to independent contractors for the purpose of conducting transportation operations. To the extent the broker selects the independent contractor, the broker is likely obligated to comply with the obligations as set forth in *Alonzo*. As such, the broker would need to determine the potential risk exposure to others if the independent contractor's work was not done correctly and whether any special skills or training is required for the work.

If the broker selected an independent contractor on behalf of the principal without adequately evaluating the risk exposure or assessing the special skills or training needed and the independent contractor subsequently caused damage to a third-party, the broker would likely be liable for the negligent selection of the independent contractor. The broker is the one who identifies, vets, and selects the carrier for the principal.

The onus may still be on the principal to inform the broker of the risk exposure if the job is not done correctly or the special skills or training required to perform the job, as the principal likely has the best understanding of the intricacies of what the work to be done. However, after the principal provides this information to the broker, it is the broker's responsibility to provide an independent contractor that satisfies those requirements. Therefore, both the broker and the principal may realistically be held liable for the negligent selection of an independent contractor, although the underlying circumstances of each specific case are likely to be determinative.

There is presently a case before the United States Supreme Court regarding freight broker liability for negligent selection of an independent contractor. In *Montgomery v. Caribe Transport II, LLC*, the question is whether the Federal Aviation Administration Authorization Act preempts state regulation of motor carrier safety as it pertains to a broker's negligent hiring of a motor carrier. Essentially, the Court is to determine whether a claim against a freight broker for negligent hiring of a motor carrier is subject to state or federal law. The Court's decision regarding this case will have implications for principals and freight brokers in Minnesota and across the nation, as it will determine whether principals and freight brokers are subject to federal law or, for those in Minnesota, if they will be subject to the standards as set forth in *Alonzo*. Oral arguments were heard for *Montgomery* on March 4, 2026. As of the writing of this article, no decision has been issued.

In *Montgomery*, defendant C.H. Robinson took the position that federal law is controlling because it ensures uniformity in interstate commerce. Federal law does not impose liability on brokers for their selection of licensed motor carriers whose drivers are alleged to cause traffic accidents. C.H. Robinson argues that, because brokers do not own or

operate the motor vehicle or select the driver, they are not the proper party to bear the responsibility for the motor vehicle accident.

If the Supreme Court finds in favor of C.H. Robinson, federal law would govern and freight brokers (and likely principals) are not liable for the negligent selection of an independent contractor because they are not selecting the specific driver whose conduct causes the harm. If the Court finds against C.H. Robinson, state law would govern claims against freight brokers for negligent selection of an independent contractor. Therefore, freight brokers (and principals) in Minnesota would be at an increased risk of exposure to and liability for claims of negligent selection of an independent contractor pursuant to *Alonzo*.

Conclusions

The 2024 case of *Alonzo v. Menholt* established a cause of action for negligent selection of an independent contractor in Minnesota. While this decision has not substantially changed the landscape of liability exposure for principals, it has set forth the standard of care with which principals must proceed when selecting independent contractors. A principal must evaluate the risk exposure to others if the work is not done correctly and what sort of special skills or training may be necessary to complete the work. If the principal fails to adequately evaluate these factors, they risk significant liability exposure for negligent selection of an independent contractor.

As the Minnesota Supreme Court predicted, there has not been a large influx of cases regarding negligent selection of an independent contractor since it recognized such tort claim. However, the subsequent cases involving negligent selection of an independent contractor have provided valuable insights. *Smith v. Piechowski* provided that a principal will not be released from liability for negligent selection of an independent contractor even when the independent contractor enters into a *Pierringer* release with the claimant. *Seelig v. Ramsey County* helped better define what type of work requires special skills or training and will hold the principal to a higher standard of care when selecting its independent contractor.

The *Alonzo* framework may also affect liability for freight brokers who are often in the position of selecting the independent contractor for the principal. Under Minnesota law, the freight broker would likely be held to the same standards as the principal, requiring consideration of the risk exposure and skills and training required to adequately perform the task. However, the *Montgomery v. Caribe Transport II* case presently before the U.S. Supreme Court will determine whether freight brokers are subject to state or federal law for claims of negligent selection of independent contractors. The outcome of that case will affect liability exposure for negligent selection of an independent contractor claims for freight brokers in Minnesota.