

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 659

Short Title: WC/Taxi Driver/Independent Contractor. (Public)

Sponsors: Senator Clodfelter.

Referred to: Judiciary I.

April 20, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT TAXICAB DRIVERS WHO ARE INDEPENDENT
3 CONTRACTORS FROM COVERAGE UNDER THE WORKERS' COMPENSATION
4 ACT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 1 of Chapter 96 of the General Statutes is amended by adding
7 a new section to read:

8 "**§ 97-5.1. Presumption that taxicab drivers are independent contractors.**

9 (a) It shall be a conclusive presumption under this Chapter that any person who
10 operates, and who has an ownership or leasehold interest in, a passenger motor vehicle that is
11 operated as a taxicab is an independent contractor for the purposes of this Chapter and not an
12 employee as defined in G.S. 97-2.

13 (b) The following definitions apply in this section:

14 (1) Lease. – A contract under which the lessor provides a vehicle to a lessee for
15 consideration.

16 (2) Leasehold. – Includes, but is not limited to, a lease for a shift or a longer
17 period.

18 (3) Passenger motor vehicle that is operated as a taxicab. – Any vehicle that:

19 a. Has a passenger seating capacity that does not exceed seven persons;
20 and

21 b. Is transporting persons, property, or both on a route that begins or
22 ends in this State and either:

23 1. Carries passengers for hire when the destination and route
24 traveled may be controlled by a passenger and the fare is
25 calculated on the basis of any combination of an initial fee,
26 distance traveled, or waiting time; or

27 2. Is in use under a contract to provide specific service to a third
28 party to transport designated passengers or to provide errand
29 services to locations selected by the third party."

30 **SECTION 2.** This act is effective when it becomes law and applies to persons
31 affected on or after that date.

