

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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HOUSE BILL 163  
Committee Substitute Favorable 4/3/13

Short Title: WC/Taxi Driver/Independent Contractor.

(Public)

Sponsors:

Referred to:

February 28, 2013

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH A REBUTTABLE PRESUMPTION THAT CERTAIN TAXICAB  
3 DRIVERS ARE INDEPENDENT CONTRACTORS AND NOT EMPLOYEES UNDER  
4 THE WORKERS' COMPENSATION ACT.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 1 of Chapter 97 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 rebuttable 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. The presumption is not rebutted solely (i) because the  
13 operator is required to comply with rules and regulations imposed on taxicabs by the local  
14 governmental unit that licenses companies, taxicabs, or operators or (ii) because a taxicab  
15 accepts a trip request to be at a specific place at a specific time, but the presumption may be  
16 rebutted by application of the common law test for determining employment status.

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

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

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

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

23 a. Has a passenger seating capacity that does not exceed seven persons  
24 and

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

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

31 2. Is in use under a contract between the operator and a third  
32 party to provide specific service to transport designated  
33 passengers or to provide errand services to locations selected  
34 by the third party."

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

