

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

(a) It shall be a rebuttable presumption under this Chapter that any person who operates, and who has an ownership or leasehold interest in, a passenger motor vehicle that is operated as a taxicab is an independent contractor for the purposes of this Chapter and not an employee as defined in G.S. 97-2. The presumption is not rebutted solely (i) because the operator is required to comply with rules and regulations imposed on taxicabs by the local governmental unit that licenses companies, taxicabs, or operators or (ii) because a taxicab accepts a trip request to be at a specific place at a specific time, but the presumption may be rebutted by application of the common law test for determining employment status.

(b) The following definitions apply in this section:

- (1) Lease. – A contract under which the lessor provides a vehicle to a lessee for consideration.
- (2) Leasehold. – Includes, but is not limited to, a lease for a shift or a longer period.
- (3) Passenger motor vehicle that is operated as a taxicab. – Any vehicle that:
  - a. Has a passenger seating capacity that does not exceed seven persons; and
  - b. Is transporting persons, property, or both on a route that begins or ends in this State and either:
    1. Carries passengers for hire when the destination and route traveled may be controlled by a passenger and the fare is calculated on the basis of any combination of an initial fee, distance traveled, or waiting time; or
    2. Is in use under a contract between the operator and a third party to provide specific service to transport designated passengers or to provide errand services to locations selected by the third party. (2013-413, s. 17(a).)