

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE BILL 1370\*

Short Title: Workers' Comp./Trucking. (Public)

Sponsors: Representatives Saunders; Crawford, Cunningham, Gillespie, Hilton, Stiller, and K. Williams.

Referred to: Rules, Calendar, and Operations of the House.

May 11, 2004

A BILL TO BE ENTITLED

AN ACT TO AMEND THE APPLICATION OF THE WORKERS' COMPENSATION  
LAW TO CERTAIN MOTOR CARRIERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 97-19.1 reads as rewritten:

**"§ 97-19.1. Truck, tractor, or truck tractor trailer driver's status as employee or independent contractor.**

An individual in the interstate or intrastate carrier industry who operates a truck, tractor, or truck tractor trailer licensed by a governmental motor vehicle regulatory agency may be an employee or an independent contractor under this Article dependent upon the application of the common law test for determining employment ~~status~~status and any individual found to be an employee shall be subject to workers' compensation coverage pursuant to G.S. 97-93 unless otherwise exempt.

Any interstate or intrastate motor carrier shall be considered the contractor in relation to any individual driver found to be an independent contractor who shall be considered as the subcontractor, and their relationship shall be subject to the provisions of G.S. 97-19.

A contractor and subcontractor may agree in writing that the contractor shall cover the subcontractor, or the subcontractor and the subcontractor's employees, under a blanket insurance policy of the contractor to allow the contractor to chargeback the cost of the coverage to the subcontractor.

~~Any principal contractor, intermediate contractor, or subcontractor, irrespective of whether such contractor regularly employs three or more employees, who contracts with an individual in the interstate or intrastate carrier industry who operates a truck, tractor, or truck tractor trailer licensed by a governmental motor vehicle regulatory agency and who has not secured the payment of compensation in the manner provided for employers set forth in G.S. 97-93 for himself personally and for his employees and subcontractors, if any, shall be liable as an employer under this Article for the payment~~

1 of compensation and other benefits on account of the injury or death of the independent  
2 contractor and his employees or subcontractors due to an accident arising out of and in  
3 the course of the performance of the work covered by such contract.

4 The principal contractor, intermediate contractor, or subcontractor may insure any  
5 and all of his independent contractors and their employees or subcontractors in a blanket  
6 policy, and when insured, the independent contractors, subcontractors, and employees  
7 will be entitled to compensation benefits under the blanket policy.

8 A principal contractor, intermediate contractor, or subcontractor may include in the  
9 governing contract with an independent contractor in the interstate or intrastate carrier  
10 industry who operates a truck, tractor, or truck tractor trailer licensed by a governmental  
11 motor vehicle regulatory agency an agreement for the independent contractor to  
12 reimburse the cost of covering that independent contractor under the principal  
13 contractor's, intermediate contractor's, or subcontractor's coverage of his business."

14 **SECTION 2.** This act is effective when it becomes law.