

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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HOUSE BILL 1145  
Committee Substitute Favorable 6/17/14

Short Title: Insurance & Registration Required for Mopeds.

(Public)

Sponsors:

Referred to:

May 21, 2014

A BILL TO BE ENTITLED

AN ACT TO REQUIRE MOPEDS TO BE REGISTERED WITH THE DIVISION OF  
MOTOR VEHICLES AND FOR OPERATORS OF MOPEDS TO HAVE IN FULL  
FORCE AND EFFECT A POLICY OF FINANCIAL RESPONSIBILITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-10.1 reads as rewritten:

"§ 20-10.1. **Mopeds.**

(a) General. – It shall be unlawful for any person who is under the age of 16 years to operate a moped as defined in G.S. 105-164.3 upon any highway or public vehicular area of this State.

(b) Registration. – Mopeds shall be registered with the Division. The owner of the moped shall pay the same fees and be issued the same type of registration card and plate issued for a motorcycle. In order to be registered with the Division and operated upon a highway or public vehicular area, a moped must meet the following requirements:

(1) The moped has a manufacturer's certificate of origin.

(2) The moped was designed and manufactured for use on highways or public vehicular areas.

(c) Financial Responsibility. – It shall be unlawful to operate a moped on a public street, highway, or vehicular area without having in full force and effect financial responsibility as required by the provisions of Article 9A and Article 13 of this Chapter. The Division shall treat a moped the same as any other motor vehicle for the purposes of compliance with Article 9A and Article 13 of this Chapter."

**SECTION 2.** G.S. 20-51(9) is repealed.

**SECTION 3.** G.S. 20-76 is amended by adding a new subsection to read:

"(c) Whenever an applicant for the registration of a moped is unable to present a manufacturer's certificate of origin for the moped, the applicant must submit an affidavit stating why the applicant does not have the manufacturer's certificate of origin and attesting that the applicant is entitled to registration. Upon receipt of the application and accompanying affidavit, the Division shall issue the applicant a registration card and plate. The Division may not require the applicant to post a bond as required under subsection (b) of this section. A person damaged by issuance of the registration card does not have a right of action against the Division."

**SECTION 4.** G.S. 58-36-3 reads as rewritten:

"§ 58-36-3. **Limitation of scope; motorcycle and moped endorsements allowed; Department of Insurance report.**

(a) The Bureau has no jurisdiction over:

...



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- 1 (7) Personal excess liability or personal "umbrella" insurance.
- 2 (8) Liability insurance, theft or physical damage insurance, medical payments
- 3 insurance, uninsured and underinsured motorists coverage, and other
- 4 insurance coverages as written in connection with the sale of liability
- 5 insurance.

6 (b) Member companies writing motorcycle liability insurance under this Article and  
 7 writing insurance against theft of or physical damage to motorcycles under Article 40 of this  
 8 Chapter may incorporate motorcycle theft and physical damage coverage as an endorsement to  
 9 the liability policy issued under this Article. Member companies writing moped liability  
 10 insurance or theft and physical damage insurance under Article 40 of this Chapter may  
 11 incorporate either or both types of insurance as an endorsement to liability and physical damage  
 12 policies issued under this Article.

13 ...."

14 **SECTION 5.** G.S. 58-37-1(6) reads as rewritten:

15 "(6) "Motor vehicle" means every self-propelled vehicle that is designed for use  
 16 upon a highway, including trailers and semitrailers designed for use with  
 17 such vehicles (except traction engines, road rollers, farm tractors, tractor  
 18 cranes, power shovels, and well drillers). "Motor vehicle" also means a  
 19 motorcycle, as defined in G.S. 20-4.01(27)d. "Motor vehicle" does not mean  
 20 a moped, as defined in G.S. 105-164.3. Notwithstanding any other  
 21 provisions of this Article, liability insurance on a moped is not eligible for  
 22 cession to the facility."

23 **SECTION 6.** G.S. 58-40-10(1) reads as rewritten:

- 24 "(1) "Private passenger motor vehicle" means:
- 25 a. A motor vehicle of the private passenger or station wagon type that is  
 26 owned or hired under a long-term contract by the policy named  
 27 insured and that is neither used as a public or livery conveyance for  
 28 passengers nor rented to others without a driver; or
  - 29 b. A motor vehicle that is a pickup truck or van that is owned by an  
 30 individual or by husband and wife or individuals who are residents of  
 31 the same household if it:
    - 32 1. Has a gross vehicle weight as specified by the manufacturer  
 33 of less than 14,000 pounds; and
    - 34 2. Is not used for the delivery or transportation of goods or  
 35 materials unless such use is (i) incidental to the insured's  
 36 business of installing, maintaining, or repairing furnishings or  
 37 equipment, or (ii) for farming or ranching. Such vehicles  
 38 owned by a family farm copartnership or a family farm  
 39 corporation shall be considered owned by an individual for  
 40 the purposes of this section; or
  - 41 c. A motorcycle, motorized scooter or other similar motorized vehicle  
 42 not used for commercial purposes. A moped, as defined in  
 43 G.S. 105-164.3, is not considered a private passenger motor vehicle."

44 **SECTION 7.** G.S. 58-40-15 reads as rewritten:

45 **"§ 58-40-15. Scope of application.**

46 The provisions of this Article shall apply to all insurance on risks or on operations in this  
 47 State, ~~except~~except for all of the following:

- 48 (1) Reinsurance, other than joint reinsurance to the extent stated in  
 49 G.S. 58-40-60;G.S. 58-40-60.
- 50 (2) Any policy of insurance against loss or damage to or legal liability in  
 51 connection with property located outside this State, or any motor vehicle or

- 1 aircraft principally garaged and used outside of this State, or any activity  
2 wholly carried on outside this ~~State;~~State.
- 3 (3) Insurance of vessels or craft, their cargoes, marine builders' risks, marine  
4 protection and indemnity, or other risks commonly insured under marine, as  
5 distinguished from inland marine, insurance ~~policies;~~policies.
- 6 (4) Accident, health, or life ~~insurance;~~insurance.
- 7 (5) ~~Annuities;~~Annuities.
- 8 (6) Repealed by Session Laws 1985, c. 666, s. 43.
- 9 (7) Mortgage guaranty ~~insurance;~~insurance.
- 10 (8) Workers' compensation and employers' liability insurance written in  
11 connection ~~therewith;~~therewith.
- 12 (9) For private passenger (nonfleet) motor vehicle liability insurance,  
13 automobile medical payments insurance, uninsured motorists' coverage and  
14 other insurance coverages written in connection with the sale of such  
15 liability insurance; except this Article applies to motor vehicle liability  
16 insurance, automobile medical payments insurance, uninsured motorists'  
17 coverage, and theft or physical damage insurance on mopeds, as defined in  
18 G.S. 105-164.3.
- 19 (10) Theft of or physical damage to nonfleet private passenger motor vehicles;  
20 except this Article applies to insurance against theft of or physical damage to  
21 motorcycles, as defined in ~~G.S. 20-4.01(27)d.;~~ and G.S. 20-4.01(27)d.
- 22 (11) Insurance against loss to residential real property with not more than four  
23 housing units located in this State or any contents thereof or valuable interest  
24 therein and other insurance coverages written in connection with the sale of  
25 such property insurance. Provided, however, that this Article shall apply to  
26 insurance against loss to farm dwellings, farm buildings and their  
27 appurtenant structures, farm personal property and other coverages written in  
28 connection with farm real or personal property; travel or camper trailers  
29 designed to be pulled by private passenger motor vehicles unless insured  
30 under policies covering nonfleet private passenger motor vehicles;  
31 residential real and personal property insured in multiple line insurance  
32 policies covering business activities as the primary insurable interest; and  
33 marine, general liability, burglary and theft, glass, and animal collision  
34 insurance except when such coverages are written as an integral part of a  
35 multiple line insurance policy for which there is an indivisible premium.

36 The provisions of this Article shall not apply to hospital service or medical service  
37 corporations, investment companies, mutual benefit associations, or fraternal beneficiary  
38 associations."

39 **SECTION 8.** The Division of Motor Vehicles, in conjunction with the Department  
40 of Justice, the Department of Public Safety, and the Department of Insurance, shall study  
41 whether additional statutory changes are needed to ensure the safe operation of mopeds. The  
42 report shall include data on (i) the number of mopeds involved in traffic accidents, (ii) the  
43 number and types of injuries resulting from traffic accidents involving mopeds, and (iii) the  
44 causes for the traffic accidents involving mopeds. The Division shall submit a report on its  
45 analysis, findings, and recommendations, including any additional statutory changes, to the  
46 Joint Legislative Transportation Oversight Committee on or before February 1, 2016.

47 **SECTION 9.** This act becomes effective July 1, 2015, and applies to offenses  
48 committed on or after that date.