

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 148  
Committee Substitute Favorable 3/24/15

Short Title: Insurance Required for Mopeds.

(Public)

Sponsors:

Referred to:

March 5, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE OWNERS OF MOPEDS TO HAVE IN FULL FORCE AND  
3 EFFECT A POLICY OF FINANCIAL RESPONSIBILITY AND TO MAKE  
4 CLARIFYING CHANGES RELATED TO THE LAW REQUIRING THE  
5 REGISTRATION OF MOPEDS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 20-4.01(23) reads as rewritten:

8 "(23) Motor Vehicle. – Every vehicle which is self-propelled and every vehicle  
9 designed to run upon the highways which is pulled by a self-propelled  
10 vehicle. ~~This~~ Except as specifically provided otherwise, this term shall not  
11 include mopeds as defined in G.S. 20-4.01(27)d1."

12 **SECTION 2.** G.S. 20-279.1 is amended by adding a new subdivision to read:

13 "(6a) Motor vehicle. – This term includes mopeds, as that term is defined in  
14 G.S. 20-4.01."

15 **SECTION 3.** G.S. 20-309(a) reads as rewritten:

16 "(a) No motor vehicle shall be registered in this State unless the owner at the time of  
17 registration provides proof of financial responsibility for the operation of such motor vehicle, as  
18 provided in this Article. The owner of each motor vehicle registered in this State shall maintain  
19 financial responsibility continuously throughout the period of registration. For purposes of this  
20 Article, the term "motor vehicle" includes mopeds, as that term is defined in G.S. 20-4.01."

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

22 "**§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed;**  
23 **Department of Insurance report.**

24 (a) The Bureau has no jurisdiction over:

25 ...

26 (7) Personal excess liability or personal "umbrella" insurance.

27 (8) Liability insurance and theft or physical damage insurance on mopeds, as  
28 defined in G.S. 105-164.3.

29 (b) Member companies writing motorcycle liability insurance under this Article and  
30 writing insurance against theft of or physical damage to motorcycles under Article 40 of this  
31 Chapter may incorporate motorcycle theft and physical damage coverage as an endorsement to  
32 the liability policy issued under this Article. Member companies writing moped liability  
33 insurance or theft and physical damage insurance under Article 40 of this Chapter may  
34 incorporate either or both types of insurance as an endorsement to liability and physical damage  
35 policies issued under this Article.

36 ...."



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

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

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

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

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

33          "**§ 58-40-15. Scope of application.**

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

- 36           (1)        Reinsurance, other than joint reinsurance to the extent stated in  
37           G.S. 58-40-60;G.S. 58-40-60.  
38           (2)        Any policy of insurance against loss or damage to or legal liability in  
39           connection with property located outside this State, or any motor vehicle or  
40           aircraft principally garaged and used outside of this State, or any activity  
41           wholly carried on outside this ~~State;~~State.  
42           (3)        Insurance of vessels or craft, their cargoes, marine builders' risks, marine  
43           protection and indemnity, or other risks commonly insured under marine, as  
44           distinguished from inland marine, insurance ~~policies;~~policies.  
45           (4)        Accident, health, or life ~~insurance;~~insurance.  
46           (5)        ~~Annuities;~~Annuities.  
47           (6)        Repealed by Session Laws 1985, c. 666, s. 43.  
48           (7)        Mortgage guaranty ~~insurance;~~insurance.  
49           (8)        Workers' compensation and employers' liability insurance written in  
50           connection ~~therewith;~~therewith.

- 1 (9) For private passenger (nonfleet) motor vehicle liability insurance,  
 2 automobile medical payments insurance, uninsured motorists' coverage and  
 3 other insurance coverages written in connection with the sale of such  
 4 liability insurance; except this Article applies to motor vehicle liability  
 5 insurance, automobile medical payments insurance, uninsured motorists'  
 6 coverage, and theft or physical damage insurance on mopeds, as defined in  
 7 G.S. 105-164.3.
- 8 (10) Theft of or physical damage to nonfleet private passenger motor vehicles;  
 9 except this Article applies to insurance against theft of or physical damage to  
 10 motorcycles, as defined in G.S. 20-4.01(27)d.; and G.S. 20-4.01(27)d.
- 11 (11) Insurance against loss to residential real property with not more than four  
 12 housing units located in this State or any contents thereof or valuable interest  
 13 therein and other insurance coverages written in connection with the sale of  
 14 such property insurance. Provided, however, that this Article shall apply to  
 15 insurance against loss to farm dwellings, farm buildings and their  
 16 appurtenant structures, farm personal property and other coverages written in  
 17 connection with farm real or personal property; travel or camper trailers  
 18 designed to be pulled by private passenger motor vehicles unless insured  
 19 under policies covering nonfleet private passenger motor vehicles;  
 20 residential real and personal property insured in multiple line insurance  
 21 policies covering business activities as the primary insurable interest; and  
 22 marine, general liability, burglary and theft, glass, and animal collision  
 23 insurance except when such coverages are written as an integral part of a  
 24 multiple line insurance policy for which there is an indivisible premium.

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

28 **SECTION 8.** G.S. 20-286(10) reads as rewritten:

29 "(10) Motor vehicle. – Any motor propelled vehicle, trailer or semitrailer, required  
 30 to be registered under the laws of this State. This term does not include  
 31 mopeds, as that term is defined in G.S. 20-4.01.

32 a. "New motor vehicle" means a motor vehicle that has never been the  
 33 subject of a completed, successful, or conditional sale that was  
 34 subsequently approved other than between new motor vehicle  
 35 dealers, or between manufacturer and dealer of the same franchise.

36 b. "Used motor vehicle" means a motor vehicle other than described in  
 37 paragraph (10)a above."

38 **SECTION 9.** G.S. 20-53.4 reads as rewritten:

39 "**§ 20-53.4. Registration of Mopeds. ~~mopeds~~; certificate of title.**

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

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

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

47 (b) Certificate of Title. – Notwithstanding G.S. 20-52 and G.S. 20-57, the owner of a  
 48 moped is not required to apply for, and the Division is not required to issue, a certificate of  
 49 title."

1                   **SECTION 10.** Sections 8 and 9 of this act become effective July 1, 2015. The  
2 remainder of this act becomes effective July 1, 2016, and applies to offenses committed on or  
3 after that date.