

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

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

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

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:

...

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

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

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

...."



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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.

(9) For private passenger (nonfleet) motor vehicle liability insurance, automobile medical payments insurance, uninsured motorists' coverage and other insurance coverages written in connection with the sale of such liability insurance; except this Article applies to motor vehicle liability insurance, automobile medical payments insurance, uninsured motorists' coverage, and theft or physical damage insurance on mopeds, as defined in G.S. 105-164.3.

(10) Theft of or physical damage to nonfleet private passenger motor vehicles; except this Article applies to insurance against theft of or physical damage to motorcycles, as defined in ~~G.S. 20-4.01(27)d.~~; and G.S. 20-4.01(27)d.

(11) Insurance against loss to residential real property with not more than four housing units located in this State or any contents thereof or valuable interest therein and other insurance coverages written in connection with the sale of such property insurance. Provided, however, that this Article shall apply to insurance against loss to farm dwellings, farm buildings and their appurtenant structures, farm personal property and other coverages written in connection with farm real or personal property; travel or camper trailers designed to be pulled by private passenger motor vehicles unless insured under policies covering nonfleet private passenger motor vehicles; residential real and personal property insured in multiple line insurance policies covering business activities as the primary insurable interest; and marine, general liability, burglary and theft, glass, and animal collision insurance except when such coverages are written as an integral part of a multiple line insurance policy for which there is an indivisible premium.

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

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

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

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

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

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

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

(a) Registration. – Mopeds shall be registered with the Division. The owner of the moped shall pay the same base fee 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.

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