

GENERAL ASSEMBLY OF NORTH CAROLINA  
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HOUSE BILL 1145  
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Committee Substitute #2 Favorable 6/19/14  
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PROPOSED SENATE COMMITTEE SUBSTITUTE H1145-PCS40268-TPf-73

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 AND TO AUTHORIZE THE TOWN OF ELIZABETHTOWN AND THE TOWN OF MATTHEWS TO ENROLL ITS EMPLOYEES, RETIREES, AND DEPENDENTS IN THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

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**SECTION 2.** G.S. 20-51(9) is repealed.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



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1 the applicant to post a bond as required under subsection (b) of this section. A person damaged  
2 by issuance of the registration card does not have a right of action against the Division."

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

4 "**§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed;**  
5 **Department of Insurance report.**

6 (a) The Bureau has no jurisdiction over:

7 ...

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

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

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

18 ...."

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

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

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

29 "(1) "Private passenger motor vehicle" means:

30 a. A motor vehicle of the private passenger or station wagon type that is  
31 owned or hired under a long-term contract by the policy named  
32 insured and that is neither used as a public or livery conveyance for  
33 passengers nor rented to others without a driver; or

34 b. A motor vehicle that is a pickup truck or van that is owned by an  
35 individual or by husband and wife or individuals who are residents of  
36 the same household if it:

37 1. Has a gross vehicle weight as specified by the manufacturer  
38 of less than 14,000 pounds; and

39 2. Is not used for the delivery or transportation of goods or  
40 materials unless such use is (i) incidental to the insured's  
41 business of installing, maintaining, or repairing furnishings or  
42 equipment, or (ii) for farming or ranching. Such vehicles  
43 owned by a family farm copartnership or a family farm  
44 corporation shall be considered owned by an individual for  
45 the purposes of this section; or

46 c. A motorcycle, motorized scooter or other similar motorized vehicle  
47 not used for commercial purposes. A moped, as defined in  
48 G.S. 105-164.3, is not considered a motorcycle, motorized scooter, or  
49 other similar motorized vehicle."

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

51 "**§ 58-40-15. Scope of application.**

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

- 3 (1) Reinsurance, other than joint reinsurance to the extent stated in  
4 ~~G.S. 58-40-60;~~G.S. 58-40-60.
- 5 (2) Any policy of insurance against loss or damage to or legal liability in  
6 connection with property located outside this State, or any motor vehicle or  
7 aircraft principally garaged and used outside of this State, or any activity  
8 wholly carried on outside this ~~State;~~State.
- 9 (3) Insurance of vessels or craft, their cargoes, marine builders' risks, marine  
10 protection and indemnity, or other risks commonly insured under marine, as  
11 distinguished from inland marine, insurance ~~policies;~~policies.
- 12 (4) Accident, health, or life ~~insurance;~~insurance.
- 13 (5) ~~Annuities;~~Annuities.
- 14 (6) Repealed by Session Laws 1985, c. 666, s. 43.
- 15 (7) Mortgage guaranty ~~insurance;~~insurance.
- 16 (8) Workers' compensation and employers' liability insurance written in  
17 connection ~~therewith;~~therewith.
- 18 (9) For private passenger (nonfleet) motor vehicle liability insurance,  
19 automobile medical payments insurance, uninsured motorists' coverage and  
20 other insurance coverages written in connection with the sale of such  
21 liability insurance; except this Article applies to motor vehicle liability  
22 insurance, automobile medical payments insurance, uninsured motorists'  
23 coverage, and theft or physical damage insurance on mopeds, as defined in  
24 G.S. 105-164.3.
- 25 (10) Theft of or physical damage to nonfleet private passenger motor vehicles;  
26 except this Article applies to insurance against theft of or physical damage to  
27 motorcycles, as defined in ~~G.S. 20-4.01(27)d.;~~ and G.S. 20-4.01(27)d.
- 28 (11) Insurance against loss to residential real property with not more than four  
29 housing units located in this State or any contents thereof or valuable interest  
30 therein and other insurance coverages written in connection with the sale of  
31 such property insurance. Provided, however, that this Article shall apply to  
32 insurance against loss to farm dwellings, farm buildings and their  
33 appurtenant structures, farm personal property and other coverages written in  
34 connection with farm real or personal property; travel or camper trailers  
35 designed to be pulled by private passenger motor vehicles unless insured  
36 under policies covering nonfleet private passenger motor vehicles;  
37 residential real and personal property insured in multiple line insurance  
38 policies covering business activities as the primary insurable interest; and  
39 marine, general liability, burglary and theft, glass, and animal collision  
40 insurance except when such coverages are written as an integral part of a  
41 multiple line insurance policy for which there is an indivisible premium.

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

45 **SECTION 8.** The Joint Legislative Transportation Oversight Committee shall  
46 study whether additional statutory changes are needed to ensure the safe operation of mopeds.  
47 The report shall include data on (i) the number of mopeds involved in traffic accidents, (ii) the  
48 number and types of injuries resulting from traffic accidents involving mopeds, and (iii) the  
49 causes for the traffic accidents involving mopeds. The Committee shall report its findings,  
50 together with any recommended legislation, to the 2015 Regular Session of the General  
51 Assembly upon its convening.

1           **SECTION 9.** Section 31.26(j) of S.L. 2004-124, as amended by Section 29.32 of  
2 S.L. 2005-276 and S.L. 2007-405, reads as rewritten:

3           **"SECTION 31.26.(j)** This section applies to:

4           (1) Bladen, Cherokee, Mitchell, Rutherford, Washington, and Wilkes Counties  
5           only, and

6           (2) The Towns of Biltmore Forest, Black Creek, Black Mountain, Blowing  
7           Rock, Elizabethtown, Forest City, Matthews, Ocean Isle Beach, Sunset  
8           Beach, and Tabor City only. For purposes of Elizabethtown and Matthews,  
9           no one will be eligible for coverage as a retiree of Elizabethtown or  
10           Matthews."

11           **SECTION 10.** Sections 8, 9, and 10 of this act are effective when they become  
12 law. The remainder of this act becomes effective December 1, 2014, and applies to offenses  
13 committed on or after that date.