

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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HOUSE BILL 1145  
Committee Substitute Favorable 6/17/14  
Committee Substitute #2 Favorable 6/19/14  
Fourth Edition Engrossed 6/19/14  
Senate Insurance Committee Substitute Adopted 6/25/14  
Senate Finance Committee Substitute Adopted 7/15/14

Short Title: Insurance & Registration for Mopeds.

(Public)

Sponsors:

Referred to:

May 21, 2014

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

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 3 of Chapter 20 of the General Statutes is amended by adding  
7 a new section to read:

8 "**§ 20-53.4. Registration of Mopeds.**

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

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

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

16 (b) Financial Responsibility. – It shall be unlawful to operate a moped on a public  
17 street, highway, or vehicular area without having in full force and effect financial responsibility  
18 as required by the provisions of Article 9A and Article 13 of this Chapter. The Division shall  
19 treat a moped the same as any other motor vehicle for the purposes of compliance with Article  
20 9A and Article 13 of this Chapter."

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 G.S. 20-51(9) is repealed.

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

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

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

31 "**§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed;  
32 Department of Insurance report.**



1 (a) The Bureau has no jurisdiction over:

2 ...

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

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

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 motorcycle, motorized scooter, or  
44 other similar motorized vehicle."

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

46 **"§ 58-40-15. Scope of application.**

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

- 49 (1) Reinsurance, other than joint reinsurance to the extent stated in  
50 ~~G.S. 58-40-60;~~G.S. 58-40-60.

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

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

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

48 **SECTION 9.** Section 8 is effective when it becomes law. The remainder of this act  
49 becomes effective December 1, 2014, and applies to offenses committed on or after that date.