

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 148

Short Title: Insurance and Safety Inspection/Mopeds. (Public)

Sponsors: Representatives Shepard, R. Brown, Waddell, and Adams (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Transportation, if favorable, Insurance.

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, TO PROVIDE THAT MOPEDS ARE SUBJECT TO SAFETY INSPECTIONS, 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. This 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



1 incorporate either or both types of insurance as an endorsement to liability and physical damage  
2 policies issued under this Article.

3 ...."

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

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

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

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

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

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

36 **"§ 58-40-15. Scope of application.**

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

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

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

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

30 **SECTION 8.** G.S. 20-183.2 reads as rewritten:

31 "**§ 20-183.2. Description of vehicles subject to safety or emissions inspection; definitions.**

32 (a) Safety. – A motor ~~vehicle~~vehicle, including a moped as defined in G.S. 20-4.01, is  
 33 subject to a safety inspection in accordance with this Part if it meets all of the following  
 34 requirements:

- 35 (1) It is subject to registration with the Division under Article 3 of this Chapter.  
 36 (2) It is not subject to inspection under 49 C.F.R. Part 396, the federal Motor  
 37 Carrier Safety Regulations.  
 38 (3) It is not a trailer whose gross weight is less than 4,000 pounds or a house  
 39 trailer.

40 ...

41 (b) Emissions. – A motor vehicle is subject to an emissions inspection in accordance  
 42 with this Part if it meets all of the following requirements:

- 43 (1) It is subject to registration with the Division under Article 3 of this Chapter,  
 44 except for motor vehicles operated on a federal installation as provided in  
 45 sub-subdivision e. of subdivision (5) of this subsection.  
 46 (2) It is not a trailer whose gross weight is less than 4,000 pounds, a house  
 47 trailer, ~~or a motorcycle.~~motorcycle, or a moped.

48 ...."

49 **SECTION 9.** G.S. 20-286(10) reads as rewritten:

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

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

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

10           **SECTION 10.** G.S. 20-53.4 reads as rewritten:

11           "**§ 20-53.4. Registration of ~~Mopeds~~, mopeds; certificate of title.**

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

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

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

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

22           **SECTION 11.** Sections 9 and 10 of this act become effective July 1, 2015. The  
23           remainder of this act becomes effective July 1, 2016, and applies to offenses committed on or  
24           after that date.