



# HOUSE BILL 148: Insurance and Safety Inspection/Mopeds

2015-2016 General Assembly

<b>Committee:</b>	House Transportation, if favorable, Insurance	<b>Date:</b>	March 17, 2015
<b>Introduced by:</b>	Reps. Shepard, R. Brown, Waddell, Adams	<b>Prepared by:</b>	Wendy Graf Ray
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 148 would amend the law related to mopeds by:*

- *Requiring mopeds to be insured;*
- *Providing mopeds are subject to safety inspection requirements;*
- *Clarifying that sellers of mopeds are not required to be licensed as motor vehicle dealers; and*
- *Clarifying that mopeds do not have to be titled.*

**CURRENT LAW:** A moped is defined as a vehicle that has two or three wheels, no external shifting device, and a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface (G.S. 105-164.3). Mopeds are not generally treated as motor vehicles under State laws (G.S. 20-4.01(23)). Mopeds are currently not required to be inspected (G.S. 20-183.2) or insured (G.S. 20-309).

Operators must be at least 16 years old to operate a moped on a highway or public vehicular area (G.S. 20-10.1) but are not required to be licensed (G.S. 20-8). Operators are subject to the same requirements as operators of motorcycles with regard to carrying passengers and wearing a helmet – the number of passengers may not exceed the number the vehicle was designed to carry, and the operator and passengers must wear helmets that comply with federal standards (G.S. 20-140.4).

While mopeds are not currently required to be registered, legislation was enacted last year (S.L. 2014-114) that will require registration of mopeds beginning on July 1, 2015. The registration fee is the same as for motorcycles (\$18). In order to be registered with the Division and operated on the highways, a moped must have a manufacturer's certificate of origin and be designed and manufactured for highway use. An applicant who is unable to provide a manufacturer's certificate of origin must provide an affidavit stating why a certificate is not available and attesting that the applicant is entitled to register the vehicle.

**BILL ANALYSIS:** House Bill 148 would require that operators of mopeds have liability insurance, provide that mopeds are subject to safety inspection requirements, and make clarifying changes to other motor vehicle laws related to mopeds.

**Insurance:** Sections 2 through 7 of the bill would make it unlawful to operate a moped on a street or highway without having liability insurance coverage. Companies writing moped liability insurance or theft and physical damage insurance would be authorized to incorporate both types of insurance as an endorsement to liability and physical damage policies. Liability insurance on a moped would not be eligible for transfer to the North Carolina Motor Vehicle Reinsurance Facility, and a moped would not be considered a private passenger motor vehicle for purposes of the regulation of insurance rates.



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Safety inspections: Section 8 of the bill would provide that mopeds are subject to safety inspection requirements and specifically exempt them from emissions inspection requirements. A safety inspection consists of an inspection of equipment on the vehicle to determine if it is in safe operating condition.

No dealer license required: Section 9 of the bill would clarify that mopeds are not included in the definition of motor vehicle for the purposes of the motor vehicle dealers and manufacturers licensing law. Under this law, a person must be licensed as a motor vehicle dealer to sell motor vehicles that are required to be registered. This would make clear that moped dealers do not have to be licensed after the new moped registration requirement goes into effect.

No certificate of title required: Section 10 of the bill would clarify that mopeds do not have to be titled. Generally, an owner of a vehicle subject to registration must also apply to the Division for a certificate of title. This section would provide that the owner of a moped subject to registration under the new law is not required to apply for, nor is the Division required to issue, a certificate of title.

**EFFECTIVE DATE:** Clarifying changes related to motor vehicle dealer licensing and titling would become effective July 1, 2015, to coincide with the effective date of the new moped registration requirement. The remainder of the act would become effective July 1, 2016, and would apply to offenses committed on or after that date.