



SENATE BILL 241: Modified Utility Vehicle Definition/Use of Funds.

2021-2022 General Assembly

Committee:		Date:	February 22, 2022
Introduced by:		Prepared by:	Wendy Ray Staff Attorney
Analysis of:	S.L. 2021-33		

OVERVIEW: *S.L. 2021-33 broadens the definition of modified utility vehicle and amends restrictions and requirements applicable to modified utility vehicles that may be registered and operated on highways. It also directs the Department of Transportation to use funds to lease a passenger ferry for operation between Hatteras and Ocracoke.*

Provisions of the act related to modified utility vehicles became effective October 1, 2021. The remainder of the act became effective June 14, 2021.

CURRENT LAW: As a general rule, motor vehicles intended to be operated on highways in North Carolina must be registered with the Division of Motor Vehicles, and vehicles designed for off-road use may not be registered and operated on highways. In 2020, legislation was passed to define a "modified utility vehicle" and authorize its operation on highways with restrictions similar to those that apply to mini-trucks. A modified utility vehicle that is properly registered and insured may be operated on highways with a posted speed limit of 55 mph or less, but the Department of Transportation may prohibit their operation on any highway if it determines the prohibition is necessary in the interest of safety.

A modified utility vehicle is a four-wheeled motor vehicle manufactured for off-road use with specified equipment, not including a vehicle identification number (the Division must assign one prior to registration if it does not have one), that doesn't require the operator or passenger to straddle a seat. It is narrowly defined to include only vehicles with an engine displacement greater than 2,400 cubic centimeters, a length of 142 inches or greater, a width of 58 inches or greater, a height of 70 inches or greater, and a maximum speed capability of 40 mph or greater.

BILL ANALYSIS: S.L. 2021-33 broadens the definition of modified utility vehicle by:

- Including smaller vehicles (lowering the minimum length of the vehicle from 142 inches to 110 inches and the minimum height of the vehicle from 70 inches to 60 inches).
- Eliminating any engine displacement requirement.
- Eliminating the requirement that it be equipped with a windshield and windshield wipers (if not, the operator and passengers would be required to wear helmets when operating on a highway).
- Including upfitted vehicles.

The act amends restrictions that apply to the operation of modified utility vehicles on highways so they are not authorized to operate on highways with four or more travel lanes unless the posted speed limit is 35 mph or less.

The act also directs the Department of Transportation to use \$700,000 in nonrecurring funds to lease and operate a passenger ferry vessel between Hatteras and Ocracoke, with the lease ending no later than

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August 15, 2021. S.L. 2021-108 later amended this provision authorizing a lease ending date no later than September 12, 2021, and providing additional funding for associated costs.

EFFECTIVE DATE: Provisions of the act related to modified utility vehicles became effective October 1, 2021. The remainder of the act became effective June 14, 2021.