STATE OF NEW YORK

7982--B

2023-2024 Regular Sessions

IN ASSEMBLY

August 18, 2023

Introduced by M. of A. DE LOS SANTOS, SEAWRIGHT -- read once and referred to the Committee on Transportation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Transportation in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the vehicle and traffic law, in relation to requiring license plates and liability insurance for limited use motorcycles and to amend the insurance law, in relation to requiring liability insurance for Class C limited use motorcycles

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The vehicle and traffic law is amended by adding a new article 34-E to read as follows:

ARTICLE 34-E

REGISTRATION AND OPERATION OF LIMITED USE MOTORCYCLES

Section 1290. Registration of limited use motorcycles.

1291. Liability insurance.

§ 1290. Registration of limited use motorcycles. Every Class C limited use motorcycle as defined in section one hundred twenty-one-b of this chapter shall be registered by the department. No person shall operate a Class C limited use motorcycle on the public highways unless such Class C limited use motorcycle shall have a distinctive number assigned to it by the commissioner and a number plate issued by the commissioner with a number corresponding to that of the certificate of registration.

§ 1291. Liability insurance. 1. Every Class C limited use motorcycle as defined in section one hundred twenty-one-b of this chapter that is operated on public roads or on property other than on lands of the owner of the limited use motorcycle shall be covered by a policy of insurance,

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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in such language and form as shall be determined and established by the superintendent of financial services, issued by an insurance carrier authorized to do business in this state. Such policy shall provide for coverages required of an "owner's policy of liability insurance" as set forth in paragraph (a) of subdivision four of section three hundred eleven of this chapter. In lieu of such insurance coverage as hereinabove provided, the commissioner, in their discretion and upon application of a governmental agency having registered in its name one or more Class C limited use motorcycles, may waive the requirement of insurance by a private insurance carrier and issue a certificate of self-insurance, when they are satisfied that such governmental agency is possessed of financial ability to respond to judgments obtained against it, arising out of the ownership, use or operation of such Class C limited use motorcycles. The commissioner may also waive the requirement of insurance by a private insurance carrier and issue a certificate of self-insurance upon application of any person or any other corporation, having registered in its name, one or more Class C limited use motorcycles and furnishing of proof that a certificate of self-insurance has been issued and is in effect pursuant to the provisions of section three hundred sixteen of this chapter.

2. Proof of insurance as required by this section shall be produced and displayed by the owner or operator of such Class C limited use motorcycle upon the request of any magistrate or any person having authority to enforce the provisions of this chapter. The failure to produce such proof upon the request of any such person shall not be an offense but shall be presumptive evidence that such Class C limited use motorcycle is being operated without having such insurance in force and effect.

3. Proof of insurance as required by this section shall be produced and displayed by the owner or operator of such Class C limited use motorcycle to any person who has suffered or claims to have suffered either personal injury or property damage as a result of the operation of such Class C limited use motorcycle by the owner or operator, if such insurance coverage was required under the circumstances of such operation. It shall be an affirmative defense to any prosecution for a violation of this subdivision that such proof was so produced or displayed within twenty-four hours of receiving notice of such injury or damage, or the claim of such injury or damage.

4. No owner of a Class C limited use motorcycle shall operate or permit the same to be operated anywhere in this state other than on lands of the owner of the Class C limited use motorcycle without having in full force and effect the liability insurance coverage required by this section, and no person shall operate a Class C limited use motorcycle anywhere in this state other than on lands of the owner of the Class C limited use motorcycle with the knowledge that such insurance is not in full force and effect.

§ 2. Subsection (f) of section 5103 of the insurance law, as amended by chapter 402 of the laws of 1986, is amended to read as follows:

(f) Every owner's policy of liability insurance issued on a motorcycle, Class C limited use motorcycle or an all terrain vehicle in satisfaction of the requirements of article six or eight of the vehicle and traffic law, section twelve hundred ninety-one of such law, or section twenty-four hundred seven of such law shall also provide for; every owner who maintains another form of financial security on a motorcycle, Class C limited use motorcycle or an all terrain vehicle in satisfaction of the requirements of such articles or [~~section~~] sections

shall be liable for; and every owner of a motorcycle**, Class C limited use motorcycle** or an all terrain vehicle required to be subject to the provisions of this article by subdivision two of section three hundred twenty-one of such law shall be liable for; the payment of first party benefits to persons, other than the occupants of such motorcycle**, Class C limited use motorcycle** or all terrain vehicle, another motorcycle**, Class C limited use motorcycle** or all terrain vehicle, or any motor vehicle, for loss arising out of the use or operation of the motorcycle**, Class C limited use motorcycle** or all terrain vehicle within this state. Every insurer and self-insurer may exclude from the coverage required by this subsection a person who intentionally causes [~~his~~] **their** own injury or is injured while committing an act which would constitute a felony or while seeking to avoid lawful apprehension or arrest by a law enforcement officer.

§ 3. Section 2265 of the vehicle and traffic law, as amended by chapter 931 of the laws of 1977, is amended to read as follows:

§ 2265. Equipment, inspection and insurance. 1. Equipment. Unless otherwise prescribed by regulation of the commissioner, a limited use automobile shall be subject to the equipment requirements of this chapter which are applicable to a passenger motor vehicle. Unless otherwise prescribed by regulation of the commissioner, a limited use motorcycle shall be subject to the equipment requirements which are applicable to a motorcycle. The operator of a limited use motorcycle shall be subject to the requirements of subdivisions six and seven of section three hundred eighty-one of this chapter[~~, except that the requirements of subdivisions six and seven of section three hundred eighty-one of this chapter shall not be applicable to the operator of a class C limited use motorcycle~~]. The commissioner may, by regulation, provide for different equipment requirements for different classes of limited use motorcycles. As far as practicable, such regulations, if promulgated by the commissioner, shall be consistent with federal motor vehicle safety standards established for similar vehicles. No person shall operate a limited use vehicle on the public highways of this state in violation of the provisions of this section or regulations promulgated by the commissioner thereunder.

2. Inspection. (a) Limited use automobiles and class A limited use motorcycles shall be subject to the inspection requirements of article five of this chapter. The commissioner may, by regulation, provide for different inspection procedures for different types of limited use automobiles.

(b) Class B and [~~class C~~] limited use motorcycles shall be exempt from any inspection requirements.

3. Insurance. The provisions of articles six, seven and eight of this chapter shall be applicable to limited use vehicles[~~, except that the provisions of article six of this chapter shall not apply to class C limited use motorcycles~~].

§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.