

Golf Carts: Not Just Par for the Course Anymore

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GOLF CARTS – THEY ARE NOT JUST FOR GOLF ANYMORE, but care must be taken in their registration and operation, as regulations vary by state and type of recreational vehicle. Failure to comply with the regulations can result in arrest. Helping clients understand the problems of improper recreational vehicle registration and operation, and the potential insurance requirements, is another value-added service of the professional insurance agent.

In recent years, there has been increased interest in use of golf carts and Neighborhood Electric Vehicles (NEV's), also known as Low Speed Vehicles (LSV). Many adult communities have been designed so everything residents need to do can be done with a golf cart or NEV, from going to the grocery store to banking to getting a hair cut. It is estimated that by 2016, there will be more than 76,600 golf carts sold annually in the United States. (www.pediatricsafety.net) An interesting note is that United States presidents typically drive golf carts, and the Secret Service does not allow the president to drive any other type of vehicle themselves, even after leaving office.

Advantages of golf carts and NEV's include the fact that they are much less expensive to own and maintain than traditional automobiles. Since many of these vehicles are electric, they operate more quietly than their gas-powered counterparts. Disadvantages include lack of seat belts in most golf carts, and the ability of children as young as age 13 to operate them legally.

With any motorized vehicle, safety is an additional concern, especially with the limited personal protection offered by golf carts and NEV's. Each year, there are about 13,000 golf cart accidents that result in emergency room visits. From 1990-2006, there were 147,696 injuries related to golf carts, and, disturbingly, more

than 1/3 of these involved children. The most serious injuries usually occur when the golf cart completely overturns, which happens in about 10% of the cases. (www.lowmanlawfirm.com)

Golf carts typically can go 15-20 miles per hour, and carry a maximum of 4 passengers. Some states even allow golf carts to be driven on roads with posted speeds up to 45 miles per hour. In contrast to golf carts, NEV's are required to have such features headlights, braking systems, turn signals, and windshields. NEV's are increasingly being treated as traditional automobiles, and in some states they must be registered, licensed and insured. NEV's may reach speeds of up to 25 miles per hour, can handle loads up to 3000 pounds, and are classified by the U.S. Department of Transportation as "low speed vehicles". (www.gloverlawfirm.com)

New York law prohibits golf carts or neighborhood electric vehicles (NEV) from being registered. Anyone operating such vehicles on public roads, or any areas that allow public vehicle traffic, is subject to arrest. If a motorcycle is designed for off-road use, it must be registered as an ATV. Go karts are not motor vehicles or ATV's. Other vehicles that cannot be registered include mini-bikes, motorized scooters, or motor-assisted bicycles.

The NY DMV (www.dmv.ny.gov) requires that, "For a low speed vehicle to be registered in New York, it must meet federal motor vehicle safety standard 500 (49 CFR 571.500), its maximum performance speed must be certified by the manufac-



turer and it must appear on the list of approved limited use vehicles".

From an insurance perspective, a homeowners or dwelling liability policy may extend coverage for legal operation of a golf cart while inside the golf club or residential community. It is essential to read the policy to understand the limitations of the coverage. Physical damage coverage for the golf cart usually must be purchased separately.

Golf carts and NEV's can be a convenient mode of transportation in a closed community. Helping clients understand the potential pitfalls of their recreational vehicles is another sign of the true insurance professional.

Previously published in the Insurance Advocate®

