

MOTOR VEHICLE RECIPROCITY AGREEMENT BETWEEN
STATE OF MONTANA AND STATE OF MINNESOTA

It is hereby mutually agreed between the State of Montana, acting through its Motor Vehicle Reciprocity Board, and the State of Minnesota, acting through its properly authorized reciprocity officer, that the contracting parties hereto, in order to promote motor vehicle movements in interstate commerce between and through their geographic territories, agree to the following:

I.

PURPOSE AND PRINCIPLE

A. PURPOSE OF AGREEMENT. It is the purpose of this Agreement to grant reciprocity between the contracting states, as provided in this Agreement, by the exemption from registration and payment of all registration fees and taxes, excepting motor fuel taxes and regulatory fees, in the other contracting state where such vehicles are used in any type of interstate vehicle operation in such other contracting state.

B. PRINCIPLE OF AGREEMENT. In making this Agreement, the contracting states adhere to the principle that reciprocal benefits and privileges should not be limited or restricted to a single residence, single place of business, or state of incorporation of the owner, lessee, vendee, mortgagor, or carrier, as applied to commercial vehicles. As a prerequisite in determining whether to extend reciprocal benefits and privileges, recognition shall be given to the following conditions:

1. The jurisdiction where the vehicle has its bona fide base;
2. Whether the owner or operator has a bona fide place of business at such base; and
3. If the vehicle is properly registered and licensed in

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the particular jurisdiction where the base is situated.

II.

APPLICABILITY

This Agreement shall apply only to persons, firms, or corporations operating vehicles as follows:

A. To privately owned and operated passenger vehicles properly registered and licensed in the jurisdictions of the owner's bona fide residence.

B. With respect to all other vehicles, only to persons, firms, co-partnerships, associations, and corporations maintaining a bona fide place of business in either one or both of the reciprocating jurisdictions.

C. Maintenance of a principal place of business in one of the reciprocating jurisdictions shall entitle the owner to operate a vehicle, properly registered and licensed and based in the jurisdiction in which a business is located, in the other jurisdiction party hereto.

III.

DEFINITIONS

A. ADMINISTRATOR. Administrator shall mean the state official or state agency authorized by law to execute reciprocity agreements on behalf of the contracting state.

B. COMMERCIAL VEHICLE. Commercial vehicle means any vehicle which is operated in interstate commerce and used for the transportation of persons for hire, compensation or profit, or designed or used primarily for the transportation of property.

C. JURISDICTION. Jurisdiction means and includes a state,

territory, or possession of the United States or District of Columbia, Commonwealth of Puerto Rico, a foreign country, and a state or province of a foreign country.

D. OWNER. Owner means a person who holds a legal title to a vehicle, or in the event the vehicle is a subject of an agreement for the conditional sale thereof with the right of purchase upon performance of the condition stated in the agreement and with an immediate right of possession vested in the conditional vendee, or in the event a vehicle is subject to a lease, contract, or other legal arrangement vesting right of possession or control for security, or in the event a mortgagor of a vehicle is entitled to possession, then the owner shall be deemed to be such person in whom is vested right of possession or control.

E. LEGAL RESIDENCE. Legal residence as used in this Agreement means a jurisdiction where the person lives or conducts a business. The term residence in this Agreement shall be confined to the definition given and shall not be confused with the word domicile. This definition of residence further recognizes that a person may have several residences, but only one domicile.

F. PROPERLY REGISTERED. Properly registered as applied to place of registration means:

1. The jurisdiction where the person registering the vehicle has his legal residence; or

2. In the case of a commercial vehicle, the jurisdiction in which it is registered if the commercial enterprise in which such vehicle is used has a place of business therein, and if the vehicle is most frequently dispatched, garaged, serviced, maintained, and operated, or otherwise controlled in or from such place of business and the vehicle has been assigned to such place of business.

G. FLEET. Fleet means two or more commercial vehicles.

H. PERSON. Person, for the purpose of this Agreement, means every natural person, firm, co-partnership, association, or corporation.

I. MOTOR VEHICLE. Motor vehicle means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolleys, but not operated on rails.

J. VEHICLE. Vehicle means every device in, upon, or by which any person or property is or may be transported or drawn upon a highway excepting devices moved by human power or used exclusively upon stationary rails or tracks.

K. INTERSTATE COMMERCE. Interstate commerce is commerce between states or transportation which originates in one state and passes into or through another state for delivery in another state.

L. INTRASTATE COMMERCE. Intrastate commerce means transportation originating at any point or place within one of the contracting states irrespective of the route, highway, or highways traversed, and including transportation which passes into another state before delivery is made within the state in which the shipment originates.

M. LESSEE. Lessee shall mean every person who leases a vehicle and has the legal possession, use, and control of such vehicle.

N. LESSOR. Lessor means every person who owns a vehicle and leases said vehicle to a lessee.

O. CONTRACTING STATE. Contracting state shall mean the states which are a party to this Agreement.

P. RECIPROCATING JURISDICTIONS. Reciprocating jurisdictions shall have the same definition as contracting states.

Q. PLACE OF BUSINESS. A place of business shall mean the place or location in a jurisdiction where the operating carrier or person operating the vehicle has a terminal, warehouse, office, garage or some

permanent bona fide address at which an employee reports and performs related, regular, and continuing service for the operating carrier or person. A place of business shall not mean a service station or garage not owned or operated by the carrier or person operating the vehicle; an answering service, mail forwarding service, clerical or bookkeeping service or any other entity which is not owned or operated by the carrier or person operating the vehicle.

R. BASE. The term base shall mean the place in a jurisdiction where the vehicle is most frequently dispatched, garaged, serviced, maintained, operated, or otherwise controlled. The owner or operator of the vehicle must have a place of business at such location and must use the vehicle in connection with such place of business.

IV.

GENERAL PROVISIONS

A. PASSENGER VEHICLES. Privately owned and operated passenger vehicles, not operated for hire, that are duly registered and licensed in the state of which the owner is a resident shall be granted full reciprocity in the lawful use of the highways of both contracting states; provided however, that the establishment of a domicile or residence or business enterprise or becoming gainfully employed within the reciprocating state shall be deemed the establishment of a residence within the said state and registration of such vehicle shall be required immediately. It is further provided that a salesman using a vehicle while soliciting sales shall be granted this reciprocal privilege. It is further provided that a salesman using a vehicle while soliciting and making sales and delivering the merchandise sold at the time of sale shall not be granted this privilege.

B. INTRANSIT PLATES, TRANSPORTER PLATES, DRIVE AWAY PLATES, SPECIAL PERMITS. Transporter or drive-away intransit plates or special

permits issued to persons or firms engaged in the business of transporting vehicles for others by drive-away or tow-away methods shall not be granted this reciprocal privilege.

C. PRIVATELY OPERATED PROPERTY CARRIERS. Trucks, truck tractors, trailers and semi-trailers, operated interstate and properly registered and licensed by either one of the reciprocating states, transporting goods, wares, merchandise, or other property which is the actual property of the owner or lessee of such vehicle may be operated between the two contracting states without limitations as to the number of trips and without payment of any vehicle license plate fees whatsoever to the reciprocating state when operated exclusively interstate.

D. MOTOR CARRIERS OF PASSENGERS FOR HIRE. Motor busses operated in interstate commerce in the transportation of persons for hire or as special or charter trips shall not be granted this reciprocal privilege if such bus is part of a fleet based in either contracting state. Motor busses which are part of a fleet shall be granted the privilege of proportional registration as provided by the statutes of either contracting state. Motor busses owned and operated by non-profit or charitable corporations or institutions or busses not for hire shall be granted the same reciprocal privileges as passenger vehicles. Motor busses operated for hire in interstate charter services but not required to be proportionally registered under the laws of the state or residence of the owner shall be granted full reciprocity.

E. MOTOR CARRIERS OF PROPERTY FOR HIRE. Vehicles properly licensed by either one of the reciprocating states, including trucks, truck tractors, trailers, and semi-trailers, operated for the transportation of property for hire may be operated in the reciprocating state without limitation as to the number of trips and without the payment of any vehicle license plate fees whatsoever to the reciprocating state when operated exclusively interstate.

F. DEALER PLATES. Dealer plates, including "New Vehicle Intransit" plates issued by the State of Minnesota to dealers, when used on a vehicle owned by a dealer and used only in connection with his business, are granted the reciprocal privilege. Demonstration permits issued pursuant to the laws of either state shall be accorded reciprocity. 72-hour permits issued by dealers of either state authorizing a nonresident purchaser of a new vehicle to use the dealer's plates for driving the vehicle to his home state will be accorded reciprocity. Reciprocity shall not be granted to dealer plates issued by one or the contracting states when used to solicit sale of vehicles within the other contracting state.

V.

MISCELLANEOUS PROVISIONS

A. This Agreement shall not be construed to authorize the operation of vehicles upon the highways of either jurisdiction in excess of the maximum size or weight or length provided for by the laws of the jurisdiction in which the vehicles are registered or contrary to the safety and traffic size and weight laws, rules and regulations, or other provisions of law in jurisdictions a party to this Agreement.

B. Where and when applicable, nothing in this Agreement shall be construed to waive compliance with the laws, rules and regulations of the Montana Railroad and Public Service Commission or the Minnesota Railroad and Warehouse Commission.

C. Nothing in this Agreement shall be construed as a waiver of the requirements of either of the contracting states with respect to the payment of gasoline or other fuel tax or any regulatory fees or taxes, or permits in lieu of said taxes or fees, now or hereafter imposed by either of the contracting states.

D. Reciprocity will not be extended when the vehicles are operated in one of the contracting states without a registration receipt, cab card, or any other means by which the vehicles can be identified.

E. Vehicles which are the subject of a lease must be registered in the state of residence of the lessee.

F. Reciprocity will not be extended when the vehicle is operated in one of the contracting states if:

1. Its gross weight exceeds the gross weight for which registered or licensed, or if
2. The class of its registration does not permit to it a statewide operation in the state of its registration, or if
3. The registration or license fee or tax for which it is registered is computed on a mileage basis.

G. Reciprocity shall not be granted to any person as to vehicles engaged in intrastate commerce.

H. Each contracting state shall retain the right to require the owner to display a permit, sticker, or other suitable means of identification as evidence of the privilege of reciprocity. The cost, if any, shall be commensurate with the cost of issuance.

I. If any vehicle is relocated in or operated from a base in a jurisdiction other than one of the contracting states in which the vehicle was originally registered, it shall be conclusively presumed that the base has been changed, and the owner of the vehicle shall be required to register such vehicle in the jurisdiction in which the vehicle is relocated.

J. In order that this Agreement may not be used for the purpose of evasion of registration fees, the proper authorities of each jurisdiction may make the final determination as to whether the vehicle or vehicles shall be registered and/or licensed in such jurisdiction, to prevent or avoid such evasion; provided, however, this shall not relieve the operating carrier or person of the obligation to properly license or register the vehicle in the jurisdiction of its base.

K. Each contracting state assumes the responsibility of determining whether vehicles are based or whether the owner or lessee has a place of business in its jurisdiction.

L. It is the responsibility of the owner or operator of a vehicle to show that the same is properly licensed and registered when such registration and licensing is questioned by the authorities of either jurisdiction.

M. The administrator of each jurisdiction shall cooperate with the administrator of the other jurisdiction and hereby agrees to furnish such aid and assistance to the other jurisdiction within statutory authority in the proper enforcement of this Agreement.

N. Each jurisdiction may act unilaterally in denying reciprocal privileges to any particular non-residents; however, the administrator shall immediately give notice of any such withdrawal of benefits or privileges to the administrator of the other reciprocating jurisdiction.

O. This Agreement shall continue in full force and effect from the effective date herein specified and shall be terminated by one of the reciprocating jurisdictions only upon thirty (30) days written notice to the administrator of the other reciprocating jurisdiction.

P. Reciprocity will not be extended to motor vehicles when operated by persons who have a place of business in a jurisdiction which has an agreement with the State of Montana for proportional registration.

Q. Vehicles owned and operated by either state or its political subdivisions, including cities, counties, or school districts shall be granted reciprocal privileges when operated in other contracting jurisdiction, provided the state or political subdivision is not the lessor of the vehicles to a commercial operator.

Donald D. MacPherson

Donald D. MacPherson, Chairman
Montana Motor Vehicle Reciprocity Board

ATTEST:

Howard Buswell
Howard Buswell, Secretary

Joseph L. Donovan
Joseph Donovan,
Secretary of State of Minnesota

ATTEST:

Approved as to form and execution
DOUGLAS M. HEAD, Attorney General
by David C. Weinberg
SPECIAL ASSISTANT ATTORNEY GENERAL
February 16, 1967

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STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
FEB 20 1967
Joseph L. Donovan
Secretary of State