

RECIPROACITY: Reciprocity agreement between Missouri and Illinois does not apply to Missouri vehicle licensed for local operation while operating in Illinois.

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Col. Hugh H. Waggoner, Superintendent
Missouri State Highway Patrol
Jefferson City, Missouri

Dear Sir:

Your opinion request of recent date reads as follows:

"The Motor Vehicle Unit, Department of Revenue, and this department are aware of the fact that some operators of commercial vehicles purchase a local license for the truck and operate in the adjoining states, a distance in excess of the twenty-five-mile local limit. This method of evasion of the license fee is practiced by some companies whose vehicles are domiciled within twenty-five miles of the state line. This enables the truck to cross the state boundary without exceeding the local authority in this state.

"We feel that any such operation into a neighboring state in excess of the local authority is in violation of the reciprocity agreement between this state and adjoining states, particularly with the state of Illinois, in which most of this type of operation takes place. The reciprocity agreement with Illinois reads in part as follows.

"... Provided that such operation shall not otherwise be in violation of the laws of the state extending such operation (underscoring is ours).

"It is requested that your department give us an opinion as to the legality of such operation under the reciprocity agreement with the adjoining states, and if under our statutes the operator could be forced to buy a beyond-local license even though his operation in this state does not exceed the authority of a local license."

During the Sixty-second General Assembly of Missouri, 1943, there was enacted House Bill No. 66, to be known as Section 5728a, which authorized the Public Service Commission of Missouri to negotiate contracts or agreements with other states and the District of Columbia relative to motor vehicles licensed in this state. See Laws of Missouri, 1943, page 867. Pursuant to the authority vested therein, the Public Service Commission of Missouri entered into negotiations with Illinois and reached an agreement concerning the reciprocity to be granted motor vehicles operated within the two states. This agreement was adopted, by order of the Commission, on the 10th day of December, 1943. This agreement reads, in full, as follows:

"A RECIPROCITY AGREEMENT between the States of Missouri and Illinois, whereby each State grants to the residents of the other full reciprocity, subject to restrictions as set out herein, as to their motor vehicles operated within the two states and properly registered and licensed in either as the state of domicile.

"It is hereby agreed that the resident owner or operator of any motor vehicle, trailer or semi-trailer upon which all fees and taxes have been paid in either the state of Missouri or Illinois as the proper state of domicile, shall while engaged in interstate commerce but not operating for hire between fixed termini in the state granting reciprocity be permitted to operate into the reciprocating state in interstate operations on lawful business and on the same basis as permitted by the registration of its state of domicile without the payment of further registration and privilege license fees; provided that such operation shall not otherwise be in violation of the laws of the state extending such reciprocity; and provided further, that whenever an owner or operator shall maintain a vehicle at any terminal upon an interstate route, which vehicle for other legal purpose might ordinarily be regarded as engaged in 'interstate commerce' by reason of the character of its operations, but which is engaged in such operations exclusively within the state of non-domicile,

such vehicle shall not be exempt under this agreement, but shall be registered in, and subject to taxation by, the state of non-domicile.

"It is further hereby agreed that any individual residing, or corporation or other legal entity organized or chartered in the state of Missouri or Illinois or elsewhere, but who had his or its principal place of business in either of said states on or before July 22, 1943, and who has complied with the laws of such state with respect to registration and payment of all fees and taxes for his or its motor vehicle, trailer or semi-trailer, at said time, shall in addition to such persons as fall within the common and legal definition of the word 'resident', be deemed a resident of the state in which such principal place of business was so situated on said date, and such state shall likewise be regarded as his or its 'domicile'.

"It is further agreed and understood that if any person, firm or corporation that would have been entitled to the benefits of this agreement if same had been in force and effect as of July 22, 1943, shall move his or its principal and general office from either state to the other, then he or it shall not be entitled to the benefits hereof until after the expiration of one year from the date he or it opens his or its principal and general office in the other state. It is further provided that if upon dissolution or reorganization, a former firm corporation, family or entity attempts to operate under a new or similar trade or corporate name and shall move from either state to the other, then he or it shall not be entitled to the benefits hereof until after the expiration of one year from the date said new organization or entity has opened his or its principal and general office in the other state.

"It is further agreed that either party may terminate this agreement by giving thirty (30) days written notice to the other party. It is also further agreed that the authorized representatives of the two states will formulate regulations governing the issuance of permits and method of identification of the exempted vehicles provided for herein. This agreement shall be in full force and effect as of the 21st day of November, 1943."

As this department perceives your question, an operator of a commercial vehicle, a resident of and domiciled in Missouri, obtains authorization for local commercial vehicular activity only, pursuant to House Bill No. 240, now Section 8369, Laws of Missouri, 1943, page 664, wherein it provides:

"The term 'local commercial motor vehicle' includes every 'commercial motor vehicle' as defined in Section 8367, Revised Statutes of Missouri, 1939, while operating within this state and used for the transportation of persons or property:

"1. Wholly within any municipality or urban community, or

"2. Wholly within any municipality or urban community and a zone extending 25 air miles from the boundaries of any municipality or urban community, or contiguous municipality or urban community, or"

While being so licensed, the operator engages in two types of activities: (1) while operating within the territorial boundaries of Missouri, the operator confines his activities to those authorized by his license; (2) but, said operator being within twenty-five miles of the boundary of Illinois, traverses that distance, or less, and proceeds to operate in Illinois, at a distance in excess of twenty-five miles, as authorized by his Missouri license. As we understand the situation, the operator's activities while within the territorial limits of Missouri are not in excess of the license, however, the operator's activities while outside the territorial

limits of Missouri are presumably in excess of the license. In short, all the activities of which complaint is made occur in Illinois and not in Missouri. The reciprocity agreement between Illinois and Missouri was made pursuant to a statute, Section 5728a, Laws of Missouri, 1943. And, assuming this reciprocity agreement has equal force with a statute, it is elementary that said agreement has no extraterritorial force, *Stanley v. Wabash, St. L. & P. Ry. Co.*, 13 S.W. 709, 100 Mo. 435, 8 L.R.A. 549. Lacking extraterritorial effect the reciprocity agreement cannot be used to coerce operators of commercial vehicles to purchase beyond-local licenses. Furthermore, the portion of the agreement set out above indicates that both Illinois and Missouri contemplated such activities as outlined in your letter. Foreseeing that violations of their respective laws might occur, each state exempted from the protection of the reciprocity agreement vehicles operating illegally in the state of non-domicile.

As long as the activities of the operator, licensed by Missouri, does not violate the laws of Missouri, there can be no cause for complaint. It is for Illinois to enforce the conformance of operators to their laws, and in order to do so the activity must occur within the State of Illinois. Admittedly, while an operator may have no legal right to operate in Illinois, it is up to Illinois to prevent the exercise of his power to do so. Briefly stated, the statutes of Missouri have no force relative to activities in Illinois, a fortiori, any agreement made pursuant thereto likewise is inapplicable to activities in Illinois.

The part of the reciprocity agreement quoted in your request is, we believe, a cover-all attempt to prevent the breach of Illinois laws concerning operations there. In other words, Illinois has agreed with Missouri that even though reciprocity as to licenses, fees and registration charges is in effect, such reciprocity does not per se invalidate other requirements of operation, for example: weight, length of trailer, axle requirements, and so on. The reciprocity agreement applies to license fees and registration, and does not waive general operational requirements.

CONCLUSION

Therefore, we believe that there is no authority for Missouri to demand that an operator of a commercial motor vehicle be licensed as a beyond-local operator when all of the beyond-

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local activity takes place outside of the State of Missouri. Also, as to the activity outlined, the reciprocity agreement between Illinois and Missouri is inapplicable, only Illinois can govern activities occurring wholly within its jurisdiction, and, if as you state, there is no violation of Missouri laws, Missouri cannot complain as to what occurs in Illinois.

Respectfully submitted,

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Assistant Attorney General

APPROVED:

J. E. TAYLOR *J.E.*
Attorney General

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