

NORTH CAROLINA GENERAL ASSEMBLY
1961 SESSION

CHAPTER 642
HOUSE BILL 545

1 AN ACT TO AMEND THE MOTOR VEHICLE LAWS OF NORTH CAROLINA TO
2 ENABLE THE COMMISSIONER OF MOTOR VEHICLES ON BEHALF OF THE
3 STATE OF NORTH CAROLINA TO ENTER INTO RECIPROCITY AGREEMENTS
4 WITH OTHER JURISDICTIONS WITH REGARD TO THE REGISTRATION AND
5 LICENSING OF MOTOR VEHICLES.
6

7 The General Assembly of North Carolina do enact:
8

9 **Section 1.** Chapter 20 of the General Statutes is hereby amended by adding thereto
10 a new Article to be designated "ARTICLE 1A" and to read as follows:

11 "ARTICLE 1A.

12 "**§ 20-4.1. Declaration of policy.** It is the policy of this State to promote and encourage the
13 fullest possible use of its highway system by authorizing the making and execution of motor
14 vehicle reciprocal registration agreements, arrangements and declarations with other states,
15 provinces, territories and countries with respect to vehicles registered in this and such other
16 states, provinces, territories and countries thus contributing to the economic and social
17 development and growth of this State.

18 "**§ 20-4.2. Definitions.** As used in this Article:

- 19 (1) 'Commercial vehicle' means any vehicle which is operated interstate in
20 furtherance of any commercial enterprise.
21 (2) 'Commissioner' means the Commissioner of Motor Vehicles of North
22 Carolina.
23 (3) 'Department' means the Department of Motor Vehicles of North Carolina.
24 (4) 'Jurisdiction' means and includes a state, district, territory or possession of
25 the United States, a foreign country and a state or province of a foreign
26 country.
27 (5) 'Properly registered', as applied to place of registration, means:
28 a. The jurisdiction where the person registering the vehicle has his legal
29 residence, or
30 b. In the case of a commercial vehicle, including a leased vehicle, the
31 jurisdiction in which it is registered if the commercial enterprise in
32 which such vehicle is used has a place of business therein, and, if the
33 vehicle is most frequently dispatched, garaged, serviced, maintained,
34 operated or otherwise controlled in or from such place of business,
35 and, the vehicle has been assigned to such place of business, or
36 c. In the case of a commercial vehicle, including leased vehicles, the
37 jurisdiction where, because of an agreement or arrangement between
38 two or more jurisdictions, or pursuant to a declaration, the vehicle
39 has been registered as required by said jurisdiction.
40 d. In case of doubt or dispute as to the proper place of registration of a
41 vehicle, the Department shall make the final determination, but in
42 making such determination, may confer with departments of the
43 other jurisdictions affected.

1 **"§ 20-4.3. Commissioner may make reciprocity agreements, arrangements or**
2 **declarations.** The Commissioner of Motor Vehicles shall have the authority to execute or make
3 agreements, arrangements or declarations to carry out the provisions of this Article.

4 **"§ 20-4.4. Authority for reciprocity agreements; provisions; reciprocity standards.** (a) The
5 Commissioner may enter into an agreement or arrangement with the duly authorized
6 representatives of another jurisdiction, granting to vehicles or to owners of vehicles which are
7 properly registered or licensed in such jurisdiction and for which evidence of compliance is
8 supplied, benefits, privileges and exemptions from the payment, wholly or partially, of any
9 taxes, fees, or other charges imposed upon such vehicles or owners with respect to the
10 operation or ownership of such vehicles under the laws of this State. Such an agreement or
11 arrangement shall provide that vehicles properly registered or licensed in this State when
12 operated upon highways of such other jurisdiction shall receive exemptions, benefits and
13 privileges of a similar kind or to a similar degree as are extended to vehicles properly registered
14 or licensed in such jurisdiction when operated in this State. Each such agreement or
15 arrangement shall, in the judgment of the Commissioner, be in the best interest of this State and
16 the citizens thereof and shall be fair and equitable to this State and the citizens thereof, and all
17 of the same shall be determined on the basis and recognition of the benefits which accrue to the
18 economy of this State from the uninterrupted flow of commerce.

19 "(b) When the Commissioner enters into a reciprocal registration agreement or
20 arrangement with another jurisdiction which has a motor vehicle tax, license or fee which is not
21 subject to waiver by a reciprocity agreement, the Commissioner is empowered and authorized
22 to provide as a condition of the agreement or arrangement that owners of vehicles licensed in
23 such other jurisdiction shall pay some equalizing tax or fee to the Department. The failure of
24 any owner or operator of a vehicle to pay the taxes or fees provided in the agreement or
25 arrangement shall prohibit them from receiving any benefits therefrom and they shall be
26 required to register their vehicles and pay taxes as if there was no agreement or arrangement.

27 **"§ 20-4.5. Base state registration reciprocity.** An agreement or arrangement entered into, or a
28 declaration issued under the authority of this Article may contain provisions authorizing the
29 registration or licensing in another jurisdiction of vehicles located in or operated from a base in
30 such other jurisdiction which vehicles otherwise would be required to be registered or licensed
31 in some other state; and in such event the exemptions, benefits and privileges extended by such
32 agreement, arrangement or declaration shall apply to such vehicles, when properly licensed or
33 registered in such base jurisdiction.

34 **"§ 20-4.6. Declarations of extent of reciprocity, when.** In the absence of an agreement or
35 arrangement with another jurisdiction, the Commissioner may examine the laws and
36 requirements if such jurisdiction and declare the extent and nature of exemptions, benefits and
37 privileges to be extended to vehicles properly registered or licensed in such other jurisdiction,
38 or to the owners of such vehicles, which shall, in the judgment of the Commissioner, be in the
39 interest of this State and the citizens thereof and which shall be fair and equitable to this State
40 and the citizens thereof, and all of the same shall be determined on the basis and recognition of
41 the benefits which accrue to the economy of this State from the uninterrupted flow of
42 commerce.

43 **"§ 20-4.7. Extension of reciprocal privileges to lessees authorized.** An agreement or
44 arrangements entered into, or declaration issued under the authority of the Article, may contain
45 provisions under which a leased vehicle properly registered or licensed by the lessor thereof
46 may be entitled, subject to terms and conditions stated therein, to the exemptions, benefits and
47 privileges extended by such agreement, arrangement or declaration

48 **"§ 20-4.8. Automatic reciprocity, when.** On or after July 1, 1961, if no agreement,
49 arrangement entered into, or declaration is in is in effect with respect to registered or licensed
50 in such other jurisdiction and for which evidence of compliance is supplied shall receive, when
51 operated in this State, the same exemptions, benefits and privileges granted by another

1 jurisdiction to vehicles properly registered in this State. Reciprocity extended under this
2 Section shall apply to commercial vehicles only when engaged exclusively in interstate
3 operations.

4 **"§ 20-4.9. Suspension of reciprocity benefits.** Agreements, arrangements or declarations
5 made under the authority of this Article may include provisions authorizing the Department to
6 suspend or cancel the exemptions, benefits or privileges granted thereunder to a vehicle which
7 is in violation of any of the conditions or terms of such agreements, arrangements or
8 declarations or is in violation of the laws of this State relating to motor vehicles or rules and
9 regulations lawfully promulgated thereunder.

10 **"§ 20-4.10. Agreements to be written, filed and available for distribution.** All agreements,
11 arrangements or declarations or amendments thereto shall be in writing and shall be filed in the
12 office of the Commissioner. Copies thereof shall be made available by the Commissioner upon
13 request and upon payment of a fee thereof in an amount necessary to defray the costs of
14 reproduction thereof.

15 **"§ 20-4.11. Reciprocity agreements in effect at time of act.** All reciprocity registration
16 agreements, arrangements and declarations relating to vehicles in force and effect at the time
17 this Article becomes effective shall continue in force and effect until specifically amended or
18 revoked as provided by law or by such agreements or arrangements.

19 **"§ 20-4.12. Act part of and supplemental to motor vehicle registration law.** This Article
20 shall be, and construed as, a part of and supplemental to the motor vehicle registration law of
21 this State.

22 **Sec. 2.** If any phrase, clause, subsection or Section of this Act shall be declared
23 unconstitutional or invalid by any court of competent jurisdiction, it shall be conclusively
24 presumed that the Legislature would have enacted this Act without the phrase, clause,
25 subsection or Section so held unconstitutional or invalid and the remainder of the Act shall not
26 be affected as a result of said part being held unconstitutional or invalid.

27 **Sec. 3.** All laws and clauses of laws in conflict with this Act are hereby repealed.

28 **Sec. 4.** The first paragraph of G.S. 20-83 is hereby specifically repealed.

29 **Sec. 5.** This Act shall be in full force and effect from and after July 1, 1961.

30 In the General Assembly read three times and ratified, this the 6th day of June,

31 1961.