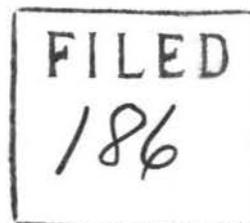


MOTOR VEHICLES: (1) The Missouri Department of Revenue may register a motor vehicle  
RECIPROCITY AGREEMENTS: in the name of the lessee of such vehicle and issue base license plates therefor without issuing a certificate of ownership (title) for such motor vehicle if such motor vehicle is otherwise properly and duly registered pursuant to the IRP; (2) however, the Missouri Department of Revenue may not register and issue base license plates for a motor vehicle without first issuing a certificate of ownership if such motor vehicle is registered pursuant to the Uniform Vehicle Registration Proration and Reciprocity Agreement.

OPINION NO. 186

October 14, 1975

Mr. James R. Spradling  
Director, Department of Revenue  
Jefferson State Office Building  
Jefferson City, Missouri 65101



Dear Mr. Spradling:

This is in response to your request for an official opinion on the following question:

"Can the Missouri Department of Revenue register a motor vehicle in the name of the lessee of such vehicle and issue license plates therefor without issuing a certificate of title for such motor vehicle in the name of the lessee when the motor vehicle is based in this State and required to be registered here under the name of the lessee for such vehicle pursuant to the provisions of a Compact duly entered into by the Missouri Highway Reciprocity Commission?"

The licensing and registration of motor vehicles in the State of Missouri is generally governed by Section 301.020, RSMo 1969, providing that:

"Every owner of a motor vehicle or trailer, which shall be operated or driven upon the highways of this state, except as herein otherwise expressly provided, shall annually file, by mail or otherwise, in the office of the director of revenue, an application for

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registration on a blank to be furnished by the director of revenue for that purpose containing:

(1) A brief description of the motor vehicle to be registered, including the name of the manufacturer, the manufacturer's or other identifying number, and character, and amount of motive power, stated in figures of horsepower;

(2) The name, residence and business address of the owner of such motor vehicle;

(3) The gross weight of the vehicle and the desired load in pounds if the vehicle is a commercial motor vehicle or trailer;

(4) If such motor vehicle be a specially constructed or reconstructed motor vehicle, the application shall so state and the owner shall furnish the director of revenue such additional information as he shall require." [Emphasis Added].

The term owner is defined in Section 301.010(21), RSMo 1969, as follows:

"'Owner', the term owner shall include any person, firm, corporation or association, who holds the legal title of a vehicle or in the event a vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of this law;" [Emphasis Added].

As a condition precedent to the granting of a certificate of registration, Section 301.190, RSMo, provides that:

"1. No certificate of registration of any motor vehicle or trailer, or number plate

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therefore, shall be issued by the director of revenue unless the applicant therefor shall make application for and be granted a certificate of ownership of such motor vehicle or trailer, or shall present satisfactory evidence that such certificate has been previously issued to the applicant for such motor vehicle or trailer. Application shall be made within thirty days after the applicant acquires the motor vehicle upon a blank form furnished by the director of revenue and shall contain a full description of the motor vehicle or trailer, manufacturer's or other identifying number, together with a statement of the applicant's source of title and of any liens or encumbrances on the motor vehicle or trailer, provided that for good cause shown the director of revenue may extend the period of time for making said application.

"2. The director of revenue shall use reasonable diligence in ascertaining whether the facts stated in such application are true, and, if satisfied that the applicant is the lawful owner of such motor vehicle or trailer, or otherwise entitled to have the same registered in his name, shall thereupon issue an appropriate certificate over his signature and sealed with the seal of his office, procured and used for such purpose. The certificate shall contain a complete description, manufacturer's or other identifying number, and other evidence of identification of the motor vehicle or trailer, as the director of revenue may deem necessary, together with a statement of any liens or encumbrances which the application may show to be thereon.

"3. The fee for each original certificate so issued shall be one dollar, in addition to the fee for registration of such motor vehicle or trailer. If application for the certificate is not made within thirty days after the vehicle is acquired by the applicant, a delinquency penalty fee of five dollars for each month or part of a month of delinquency, not to exceed a total of twenty-five dollars, shall be imposed. If the director of revenue learns that any person has

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failed to obtain a certificate within thirty days after acquiring a motor vehicle or has sold a vehicle without obtaining a certificate, he shall cancel the registration of all vehicles registered in the name of the person, either as sole owner or as a coowner and shall notify the person that the cancellation will remain in force until the person pays the delinquency penalty fee provided in this section together with all fees, charges and payments which he should have paid in connection with the certificate of ownership and registration of the vehicle. The certificate shall be good for the life of the motor vehicle so long as the same is owned or held by the original holder of the certificate and shall not have to be renewed annually.

"4. It is unlawful for any person to operate in this state a motor vehicle or trailer required to be registered under the provisions of the law unless a certificate of ownership has been issued as herein provided."  
[Emphasis Added].

The legislative scheme as set out in the above statutes indicates that, generally, in order to lawfully operate a motor vehicle in this state, one must apply for and be granted a certificate of registration and that, prior to being granted a certificate of registration, one must first apply for and be granted a certificate of ownership (title).

In 1958, the General Assembly enacted legislation establishing the Missouri Highway Reciprocity Commission, Sections 301.273-301.279, RSMo 1969. It is to these statutes that we now direct our attention, specifically, Section 301.277, RSMo 1969. This statute provides that:

"1. The commission may negotiate and enter into reciprocal agreements or arrangements with other states, the District of Columbia, territories and possessions of the United States, and foreign countries as follows:

"(1) To exempt, either wholly or partially, under such terms, conditions and restrictions as it deems proper, motor vehicles and trailers

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licensed in other states, the District of Columbia, territories and possessions of the United States, and foreign countries or political subdivision thereof wherein the owner is a resident, from any or all registration fees, as provided by law, but any exemption afforded hereunder shall be extended to owners whose vehicles are duly licensed in the state of their residence only to the extent that substantially equivalent exemptions are extended by that state to vehicles which are duly licensed in this state.

"(2) If any state permits or requires the licensing of fleets of motor vehicles and trailers or combinations thereof operated in interstate or combined interstate and intrastate commerce and payment of license taxes and other fixed fees thereon on an apportionment basis commensurate with and determined by the miles traveled on and the use made of said state's highways or any other equitable basis of apportionment, and exempts equipment registered in other states under such apportionment basis from its own registration and other fixed fees, then said Missouri highway reciprocity commission may by agreement adopt such exemptions with respect to motor vehicles and trailers, which agreement may, under such terms, conditions and restrictions as the commission deems proper, provide that owners and operators of motor vehicles and trailers operated in interstate or combined interstate and intrastate commerce in Missouri shall be required to pay registration and other fees on an apportionment basis commensurate with and determined by the miles traveled on and the use made of Missouri highways, or any other equitable basis of apportionment, and shall provide a fair and equitable formula for apportionment whereby there shall be registered in Missouri and the Missouri registration fees paid and applied to a proper proportion of said motor vehicles and trailers operated in the fleet.

"(3) Such agreements may authorize the granting of reciprocal privileges to an owner

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for vehicles which are not licensed in the state, District of Columbia, territory or possession of the United States, foreign country, or other place of such owner's residence when such owner maintains a bona fide place of business in a state, District of Columbia, territory or possession of the United States, foreign country or other place other than his residence and such vehicle is in fact based at such a place of business and is principally operated into and out of such a place of business as a terminal of its operation and such vehicle is duly licensed in the state, District of Columbia, territory or possession of the United States, foreign country, or other place where such place of business is located. Before reciprocal privileges are granted to an owner under such agreement authorized by this subsection, the commission may, under such conditions and terms as it deems advisable, require such owner to apply for a basing point permit which, among other things, shall name the state, District of Columbia, territory or possession of the United States, foreign country, or other place in which such vehicle is to be licensed.

\* \* \*

"3. Notwithstanding any other provision of law, no reciprocity shall be granted under any statute or agreement for the operation of any commercial motor vehicle within the state of Missouri solely in intrastate commerce, but all vehicles so engaged must be duly registered and licensed in the state of Missouri."

It is apparent from the foregoing that the legislative intent and purpose in establishing the Commission was to create a body empowered to provide an additional mechanism for the registration and licensing of motor vehicles through the adoption of reciprocal agreements. As Section 301.277, RSMo 1969 suggests, these agreements may include procedures that deviate from or otherwise abrogate those traditional procedures and concepts outlined in Sections 301.020 and 301.190, RSMo 1969. As the court recognized in Ruan Transport Corporation v. Missouri Highway Reciprocity Commission, 369 S.W.2d 220, 222 (Mo. Banc 1963), ". . . fleet

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proration registration is a new and different concept." It is our belief that the General Assembly, aware of the recent developments in and needs of the modern motor transportation industry, created the Commission to provide flexibility in meeting these developments and needs. In view of the statutory scheme established by the General Assembly, particularly noting the powers of the Commission as outlined in Section 301.277, RSMo 1969, it is our view that the General Assembly intended that the Commission may enter into reciprocal agreements and may establish by such agreements licensing and registration procedures that may deviate from or otherwise abrogate those established by statute.

In view of the foregoing, the fundamental problem inherent in your question is the relationship between these two sets of statutes; those general registration and licensing statutes on the one hand and those establishing the Missouri Highway Reciprocity Commission on the other. Recognizing the general rule of statutory construction that statutes should be construed so as to effectuate their purpose, it is our opinion that both sets of statutes can be consistently construed and applied in accordance with the General Assembly's apparent intent and purpose.

There is no question that prior to a vehicle's being operated in this state it must be properly registered and licensed. However, in view of the above statutory provisions, it is our belief that the established statutory scheme evidences the General Assembly's intent to provide at least two methods by which a vehicle may be duly and properly registered.

First, a vehicle may be registered pursuant to Section 301.020, RSMo 1969, in which case certificates of ownership and registration must be applied for by and granted to the owner of the vehicle and standard license plates issued. Second, a vehicle, if otherwise within the scope of a reciprocal agreement, may be licensed and registered pursuant to the terms and conditions outlined in the agreement. If so registered, a vehicle need only comply with those requirements contained in the agreement and shall be properly and duly registered in this state upon compliance with those requirements. An applicant need not additionally comply with those state statutory registration requirements if he has otherwise complied with the requirements contained in the agreement. By otherwise requiring all applicants to conform to state registration requirements, the Department of Revenue ignores the development of the Commission and those powers bestowed upon it by Section 301.277, RSMo 1969. This would, in effect, serve to undermine the Commission's ability to enter into registration agreements and impose registration requirements upon such terms, conditions and restrictions as it deems proper pursuant to Section 301.277, RSMo 1969, and would thereby frustrate the legislative intent to

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provide a flexible mechanism to meet current developments in the trucking industry. For this reason, we believe that where the Commission has entered into an agreement pursuant to Section 301.277, RSMo 1969, and where that agreement outlines those procedures to be followed relating to the registration of certain vehicles, then an applicant seeking to register a vehicle as part of an operating fleet pursuant to said agreement need only meet those requirements of the agreement. If an applicant meets those requirements, he need not additionally meet those outlined in other state statutes. The only restriction upon the issuance of proper registration of such a vehicle would be that the applicant be seeking such registration pursuant to a duly negotiated reciprocal agreement and that any vehicle for which the privileges are claimed have a valid and legal certificate of ownership (title) issued for the vehicle by the state or jurisdiction in which it is purportedly titled.

Obviously, any determination as to whether the vehicle is properly and duly registered pursuant to an agreement requires our examination of the terms and conditions of the agreement itself. For example, if an agreement details a registration procedure to be followed by an applicant, said applicant must comply with those procedures. On the other hand, an agreement may simply state that a vehicle must comply with the licensing and registration statutes of a base jurisdiction. In that case, the applicant must comply with those registration statutes of a base jurisdiction in order to be properly and duly registered pursuant to the terms and conditions of the agreement. Therefore, we must now direct our attention to the reciprocal agreements in question.

Although your request does not refer to specific agreements, the attached material included with your request indicates your concern with those agreements dealing with apportioned registration. Therefore, we assume your request is limited to a consideration of only the International Registration Plan and the Uniform Vehicle Registration Proration and Reciprocity Agreement as those are the only apportionment agreements entered into by the Commission.

The International Registration Plan (IRP) provides as follows concerning fleet registration:

"An applicant for proportional registration shall file a uniform application with the Commission of the base jurisdiction in lieu of registration under other applicable statutes. [Section IV, A(1)]

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"A. The Commissioner of the base jurisdiction shall register apportionable vehicles upon application and payment of the registration fees as provided in Articles III and IV. Payment of additional fees for each vehicle so registered may be required by the Commissioner of the base jurisdiction, in an amount provided by statute or regulation of the base jurisdiction for issuance of a plate. A registration card shall be issued for each vehicle registered by the Commissioner of the base jurisdiction and the card shall appropriately identify the vehicle for which it is issued, list the jurisdictions in which the vehicle has been apportioned, the weight and classification of fee for which registered according to the applications and payments furnished by the applicant. Such registration card shall be carried in or upon the vehicle, for which it has been issued, at all times.

"B. Vehicles registered as provided in Section A of this Article shall be deemed fully registered in all jurisdictions where proportionally registered for any type of movement or operation provided the registrant has proper interstate or interstate authority from the appropriate regulatory agency or is exempt from regulation by the regulatory agency." [Section V]

The IRP outlines those procedures to be followed by applicants registering pursuant to the Plan. The Plan expressly provides that an applicant need only file a uniform application and pay the appropriate fee in lieu of registration under other applicable statutes. Therefore, fleet vehicles registered pursuant to the IRP need only comply with the registration requirements outlined in the IRP and need not further comply with those other state statutes outlining additional registration requirements, i.e., Sections 301.020, 301.190, RSMo 1969. A fleet vehicle registered in Missouri pursuant to the IRP is duly and properly registered in this state when registered in compliance with the Plan. The Department of Revenue need not issue a certificate of ownership (title) for such motor vehicle.

Furthermore, Section IX-A provides that when the proportional registration is of vehicles leased to motor carriers on a long

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term basis, the lessee shall be the registrant. Thus, in registering the vehicle in this state, the lessee does so pursuant to the authority of the IRP compact and not as the "owner" of the vehicle as defined in Section 301.010(21), RSMo 1969. The lessee need not qualify as an "owner" to be entitled to proportionally register his vehicle in this state if registration is pursuant to the IRP compact. Therefore, the Department of Revenue need not require a lessee registering pursuant to the IRP compact to qualify as an "owner" as a condition precedent to registration. Moreover, because not an "owner" as defined by statute, a lessee is not eligible to receive nor can he be required to secure a certificate of title pursuant to Section 301.190 as a condition precedent to registration.

In light of the above, it is our opinion that a lessee seeking to proportionally register a vehicle in this state pursuant to the terms of the IRP compact may do so even though he does not qualify as an "owner" as defined in Section 301.010(21), RSMo 1969. Furthermore, as noted above, a lessee may be issued a certificate of registration and appropriate license plates upon compliance with those requirements outlined in the IRP compact; the lessee need not follow those procedures outlined in Sections 301.020 and 301.190, RSMo 1969, applicable only to the "owners" of vehicles.

We now consider the Uniform Vehicle Registration Proration and Reciprocity Agreement (Uniform Agreement). In contrast to the IRP, the Uniform Agreement does not establish particular registration procedures, but merely suggests that a vehicle properly registered in a contracting state shall be exempt from registration and payment of fees in each other contracting state.

Article 2, Section 17 defines registration as follows:

"Registration shall mean the registration of a vehicle and the payment of annual fees and taxes as set forth opposite the name of each contracting State in the appendix hereto."

Article 2, Section 18 defines proration of registration as follows:

"Proration of registration shall mean registration of fleets of commercial vehicles in accordance with Article 4 of this agreement."

Article 3, Section 34, provides that:

"This agreement shall not authorize the operation of a vehicle in any contracting

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State contrary to the laws or regulations thereof, except those pertaining to registration and payment of fees; and with respect to such laws or regulations, only to the extent provided in this agreement."

Moreover, paragraph 12 of the Revised Appendix, State of Missouri, adopted January 7, 1974, specifically states:

"Further, the State of Missouri desires to make clear that this agreement:

\* \* \*

"(c) Does not waive the prerequisites to securing Missouri license."

The remaining sections pertain only to the apportionment of fees and do not outline any registration procedures to be followed by applicants.

It is apparent that the framework of the Uniform Agreement indicates that an owner or operator of a motor vehicle must have in his possession a valid and legal registration certificate or other evidence of proper registration issued for such vehicle by the state or other jurisdiction in which it is based pursuant to state statutes. Although the Agreement expressly states that the base jurisdiction does not recover the full registration fees, the Agreement does not establish registration procedures deviating from or otherwise exempting applicants from state registration procedures.

Therefore, it is our opinion that, in the absence of language indicating the establishment of contrary procedures and the express language of paragraph 12 of the Revised Appendix, an applicant registering pursuant to the Uniform Agreement properly and duly registers a fleet vehicle in Missouri by complying with all applicable Missouri registration requirements. In complying with the state registration statutes, the applicant thereby complies with the terms of the reciprocal agreement. In this case, an applicant must apply for and be granted a certificate of ownership (title) "as the owner" pursuant to Section 301.190, RSMo 1969, and otherwise comply with all pertinent procedures so as to be entitled to a base license plate.

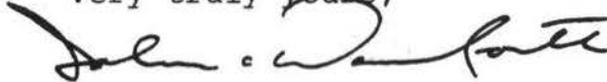
#### CONCLUSION

From the foregoing considerations, it is the opinion of this office that (1) the Missouri Department of Revenue may register

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a motor vehicle in the name of the lessee of such vehicle and issue base license plates therefor without issuing a certificate of ownership (title) for such motor vehicle if such motor vehicle is otherwise properly and duly registered pursuant to the IRP; (2) however, the Missouri Department of Revenue may not register and issue base license plates for a motor vehicle without first issuing a certificate of ownership if such motor vehicle is registered pursuant to the Uniform Vehicle Registration Proration and Reciprocity Agreement.

Very truly yours,

A handwritten signature in black ink, appearing to read "John C. Danforth". The signature is written in a cursive style with a large, prominent initial "J".

JOHN C. DANFORTH  
Attorney General