

HIGHWAY RECIPROCITY BOARD
Act 124 of 1960

AN ACT to create the Michigan highway reciprocity board; to prescribe its powers and duties; to provide for the powers and duties of certain state and local governmental officers and entities; to allow certain reciprocal compacts, agreements, and arrangements; and to repeal certain acts and parts of acts.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 2022, Act 25, Imd. Eff. Mar. 10, 2022.

The People of the State of Michigan enact:

3.161 Definitions.

Sec. 1. As used in this act:

(a) "Person" means any individual, firm, partnership, association, and corporation.

(b) "Jurisdiction" means, except as otherwise provided in section 3, other states of the United States, the District of Columbia, territories and possessions of the United States, foreign countries, or political subdivisions of foreign countries.

(c) "Properly registered" as applied to place of registration or licensing means the jurisdiction in which the board acting under section 5 determines a vehicle must be registered or licensed in order to be granted the privileges and benefits of this act when operating in this state.

(d) "Board" means the department of state.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 2022, Act 25, Imd. Eff. Mar. 10, 2022.

Transfer of powers: See MCL 16.131.

3.162 Creation, composition.

Sec. 2. There is hereby created the Michigan highway reciprocity board to consist of the secretary of state, the state highway commissioner and the chairman of the Michigan public service commission.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

***** 3.163 THIS SECTION IS AMENDED EFFECTIVE APRIL 2, 2025: See 3.163.amended *****

3.163 Authority of board to make reciprocal agreements and compacts; sole authority of department of treasury to make qualified fuel tax reciprocity agreements; definitions.

Sec. 3. Notwithstanding any other provision of law to the contrary, both of the following apply:

(a) Except as otherwise provided in subsection (b), the board may enter into reciprocal compacts, agreements, or arrangements that the board considers proper or expedient and in the interests of the people of this state, with the proper authorities of other jurisdictions, either individually or with a group of jurisdictions, concerning the fees, charges, taxation, operation, and regulation of trucks, tractors, trailers, automobiles, buses, and all other automotive equipment engaged in international, interstate, or intrastate commerce on the public highways.

(b) Beginning on the effective date of the amendatory act that added this subdivision, the department of treasury may enter into qualified fuel tax reciprocity agreements that the department of treasury considers proper or expedient and in the interests of the people of this state, with the proper authorities of other jurisdictions, either individually or with a group of jurisdictions. The department of treasury has the sole authority to enter into qualified fuel tax reciprocity agreements. As used in this subdivision:

(i) "Jurisdiction" means other states of the United States that share a common border with this state and are members of the international fuel tax agreement.

(ii) "International fuel tax agreement" means the agreement described in section 2a of the motor carrier fuel tax act, 1980 PA 119, MCL 207.212a.

(iii) "Motor carrier" means a person who operates or causes to be operated a qualified commercial motor vehicle on a public road or highway in this state and at least 1 other state.

(iv) "Qualified commercial motor vehicle" means a motor vehicle used, designed, or maintained for transportation of persons or property and 1 of the following:

(A) Having 3 or more axles regardless of weight.

(B) Having 2 axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds or 12,000 kilograms.

(C) Is used in a combination of vehicles, if the weight of that combination exceeds 26,000 pounds or 12,000 kilograms gross vehicle or registered gross vehicle weight.

(v) "Qualified fuel tax reciprocity agreement" means a compact, agreement, or arrangement that, in

exchange for reciprocal treatment for a motor carrier, or a class or category of motor carrier, from this state in another jurisdiction, allows a motor carrier, or a class or category of motor carrier, from the other jurisdiction to operate or cause to be operated a qualified commercial motor vehicle on a public highway in this state for the purpose of carrying raw forest products to a sawmill or factory within 30 air miles of the border of this state without doing any of the following:

(A) Carrying, obtaining, or displaying a license, decal, permit, or other credentials otherwise required by the international fuel tax agreement or the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234.

(B) Paying, reporting, or filing returns for taxes imposed by or subject to the international fuel tax agreement, the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234, or section 5 of the streamlined sales and use tax revenue equalization act, 2004 PA 175, MCL 205.175.

(vi) "Raw forest products" means logs, pilings, posts, poles, cordwood products, wood chips, sawdust, pulpwood, intermediary lumber, fuel wood, and Christmas trees, that are not altered by a manufacturing process off the land, sawmill, or factory from which they are taken and are not finished products suitable for sale at retail.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 2022, Act 25, Imd. Eff. Mar. 10, 2022.

***** 3.163.amended THIS AMENDED SECTION IS EFFECTIVE APRIL 2, 2025 *****

3.163.amended Authority of board to make reciprocal agreements and compacts; sole authority of department of treasury to make qualified fuel tax reciprocity agreements; definitions.

Sec. 3. Notwithstanding any other provision of law to the contrary, both of the following apply:

(a) Except as otherwise provided in subsection (b), the board may enter into reciprocal compacts, agreements, or arrangements that the board considers proper or expedient and in the interests of the people of this state, with the proper authorities of other jurisdictions, either individually or with a group of jurisdictions, concerning the fees, charges, taxation, operation, and regulation of trucks, tractors, trailers, automobiles, buses, and all other automotive equipment engaged in international, interstate, or intrastate commerce on the public highways.

(b) Beginning on March 10, 2022, the department of treasury may enter into qualified fuel tax reciprocity agreements that the department of treasury considers proper or expedient and in the interests of the people of this state, with the proper authorities of other jurisdictions, either individually or with a group of jurisdictions. The department of treasury has the sole authority to enter into qualified fuel tax reciprocity agreements. As used in this subdivision:

(i) "Jurisdiction" means other states of the United States that share a common border with this state and are members of the international fuel tax agreement.

(ii) "International fuel tax agreement" means the agreement described in section 2a of the motor carrier fuel tax act, 1980 PA 119, MCL 207.212a.

(iii) "Motor carrier" means a person who operates or causes to be operated a qualified commercial motor vehicle on a public road or highway in this state and at least 1 other state.

(iv) "Qualified commercial motor vehicle" means a motor vehicle used, designed, or maintained for transportation of persons or property and 1 of the following:

(A) Having 3 or more axles regardless of weight.

(B) Having 2 axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds or 11,797 kilograms.

(C) Is used in a combination of vehicles, if the weight of that combination exceeds 26,000 pounds or 11,797 kilograms gross vehicle or registered gross vehicle weight.

(v) "Qualified fuel tax reciprocity agreement" means a compact, agreement, or arrangement that, in exchange for reciprocal treatment for a motor carrier, or a class or category of motor carrier, from this state in another jurisdiction, allows a motor carrier, or a class or category of motor carrier, from the other jurisdiction to operate or cause to be operated a qualified commercial motor vehicle on a public highway in this state for the purpose of carrying raw forest products to a sawmill or factory within not more than 50 air miles of the border of this state without doing any of the following:

(A) Carrying, obtaining, or displaying a license, decal, permit, or other credentials otherwise required by the international fuel tax agreement or the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234.

(B) Paying, reporting, or filing returns for taxes imposed by or subject to the international fuel tax agreement, the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234, or section 5 of the streamlined sales and use tax revenue equalization act, 2004 PA 175, MCL 205.175.

(vi) "Raw forest products" means logs, pilings, posts, poles, cordwood products, wood chips, sawdust,

pulpwood, intermediary lumber, fuel wood, and Christmas trees, that are not altered by a manufacturing process off the land, sawmill, or factory from which they are taken and are not finished products suitable for sale at retail.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 2022, Act 25, Imd. Eff. Mar. 10, 2022;—Am. 2024, Act 218, Eff. Apr. 2, 2025.

3.164 Compacts and agreements; conditions, contents, requirements.

Sec. 4. The compacts, agreements, or arrangements may grant to the owners or operators of vehicles properly registered in the jurisdictions, with which made, privileges and exemptions substantially like and equal to those granted by such jurisdictions to owners or operators of vehicles properly registered in this state, and shall provide that the owners or operators of vehicles registered in this state who have complied with all the laws, rules and regulations of this state respecting registration, registration fees, taxes, fees and operation of motor vehicles within this state, including owners or operators who comply with the provisions of any compact, agreement or arrangement which provides for the payment of less than all the registration fees or taxes otherwise payable to this state, when using the highways of such other jurisdictions, shall receive substantially equal privileges and exemptions. The compacts, agreements or arrangements may exempt the owners or operators of such foreign registered vehicles, using the highways of this state, from the payment of any or all taxes, fees or other charges imposed by the laws of this state, or may provide for the payment of a proportional part of such taxes, fees or other charges, with such appropriate restrictions, conditions and privileges as the board in its discretion determines to be in the best interest of the health, welfare and safety of the people of this state. Before any owner or operator may become entitled to the privileges and exemptions of any compact, agreement or arrangement, the person first must have his vehicle or vehicles properly registered under the laws of the jurisdiction which the board, acting under section 5, determines to be proper for his vehicles or under the provisions of any compact, agreement or arrangement to which his jurisdiction is a party, and shall conspicuously display a legal registration plate upon each vehicle so registered as prescribed by the law of his jurisdiction or by the terms of any compact, agreement or arrangement, and the operator of each vehicle while in possession and control thereof shall have upon his person a certificate of registration, or other official evidence of compliance with the above requirements, issued for the vehicle.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.165 Jurisdiction for registration and licensing of vehicles.

Sec. 5. In administering the provisions of this act, the board may determine the proper jurisdiction for the registration or licensing for all vehicles whose owners or operators seek the privileges and benefits of this act. The board, in determining the jurisdiction where owners or operators must register or license their vehicles in order to be eligible for the privileges and benefits of this act, may require the vehicles to be registered or licensed in any of the following jurisdictions:

- (a) The jurisdiction where the person registering the vehicle maintains his legal residence.
- (b) The jurisdiction in which the person registering the vehicle operates a commercial enterprise or a branch of a commercial enterprise.
- (c) The jurisdiction in which the vehicle is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled in or from.
- (d) The jurisdiction where, because of an agreement or arrangement between 2 or more jurisdictions, or pursuant to a declaration, the board designates as the domicile of such vehicle.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.166 Registration or licensing of vehicle operated from a domicile in other jurisdiction.

Sec. 6. A compact, agreement or arrangement entered into under the authority of this act, may contain provisions authorizing the registration or licensing in another jurisdiction of vehicles located in or operated from a domicile in the other jurisdiction, which vehicles otherwise would be required to be registered or licensed in this state; and in such event the exemptions and privileges extended by the compact, agreement or arrangement shall apply to such vehicles.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.167 Fleet licensing; payment of fees or taxes on apportionment basis; exemption; agreement; provisions.

Sec. 7. If a jurisdiction permits or requires the licensing of a fleet of vehicles in interstate or combined interstate and intrastate commerce and payment of registration fees, license taxes, or other fixed fees on that fleet on an apportionment basis commensurate with and determined by the miles traveled on and the use made

of the jurisdiction's highways, or any other equitable basis of apportionment, and exempts a vehicle registered in another jurisdiction under the apportionment basis from the requirement of full payment of its own registration, license, or other fixed fees, then the board by agreement may adopt the exemption with respect to a vehicle of those fleets, whether owned by a resident or nonresident of this state and regardless of where based. The agreement, under the terms, conditions, or restrictions as the board considers proper, may provide that an owner or operator of a vehicle operated in interstate or combined interstate and intrastate commerce in this state shall be permitted to pay registration, license, or other fixed fees on an apportionment basis commensurate with and determined by the miles traveled on and the use made of the highways of this state or any other equitable basis of apportionment determined by the board. An agreement shall not authorize, or be construed as authorizing, a vehicle so registered for hire to be operated in intrastate commerce in this state unless the owner or operator of the vehicle has been granted intrastate authority or rights by the Michigan public service commission.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 1980, Act 504, Imd. Eff. Jan. 22, 1981.

3.168 Reciprocity on exemptions and privileges.

Sec. 8. In the absence of a compact, agreement or arrangement with any jurisdiction, the board may examine the laws and requirements of the jurisdiction and declare the extent and nature of the exemptions and privileges to be extended to the owners or operators of vehicles properly registered or licensed in the other jurisdiction, which in the judgment of the board, shall be equivalent to the exemptions and privileges which are extended by the laws of the jurisdiction, to vehicles properly registered or licensed in this state, or to the owners or operators of vehicles properly licensed in this state.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.169 Exemptions inapplicable to certain trucks, tractors, truck tractors, or semitrailers.

Sec. 9. The exemptions provided in this act shall not apply to a truck, tractor, truck tractor, or semitrailer, except a 2 wheel trailer of less than 2,500 pound carrying capacity, if its gross weight exceeds the gross weight for which it is registered, or which it is permitted to haul, in the jurisdiction of its registration.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960;—Am. 1980, Act 504, Imd. Eff. Jan. 22, 1981.

3.170 Owners and operations excepted from exemptions.

Sec. 10. The exemptions provided in this act shall not apply to owners or operators of vehicles registered or licensed in other jurisdictions and operated within this state, including trucks, tractors, trailers, buses and all other automotive equipment domiciled in other jurisdictions, and bringing such vehicles into this state for the purpose of doing interstate business, who shall be required to comply with all the laws and regulations as to payment of taxes applicable to like vehicles registered in this state, unless such jurisdiction grants full reciprocity privileges comparable to that extended by this act.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.171 Limited agreements for partial reciprocity.

Sec. 11. To the extent another jurisdiction is not fully reciprocal as to taxes or fees on vehicles in international or interstate commerce, the board may make a limited agreement with the jurisdictions covering only part of the fees, taxes and charges otherwise applicable, or the board may require the owners or operators of the foreign registered vehicles to pay a tax in an amount equal to the tax of whatever character assessed by the other jurisdiction against vehicles registered in this state and operated in international or interstate commerce in that jurisdiction. Owners or operators of foreign registered vehicles which are subject to registration under the provisions of this section shall make application for a permit in which shall be set forth the conditions for operation of the vehicles in this state. The board may examine the laws of other jurisdictions and determine what taxes or fees shall be payable to this state by the owners or operators of foreign registered vehicles.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.172 Resident-owned, foreign-domiciled vehicles.

Sec. 12. The board may provide by regulation that the exemptions, benefits and privileges of this act shall be operative as to motor vehicles owned by a resident of this state and actually domiciled in another jurisdiction and properly registered and licensed in that jurisdiction.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.173 Denial or withdrawal of privileges and exemptions.

Sec. 13. The compacts, agreements or arrangements may also provide for the denial or withdrawal of the

privileges and exemptions granted thereunder as to any person or vehicle if the board determines, upon good cause shown, that the person should not be granted and extended the privileges and exemptions.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.174 Rules and regulations; lists of vehicles, reciprocity plate display.

Sec. 14. The board from time to time, may adopt, amend and enforce rules and regulations in accordance with Act No. 88 of the Public Acts of 1943, as amended, being sections 24.71 to 24.82 of the Compiled Laws of 1948, and subject to Act No. 197 of 1952, as amended, being sections 24.101 to 24.110 of the Compiled Laws of 1948, necessary or desirable in carrying out the provisions of this act. The board may require owners and operators of foreign registered vehicles claiming exemptions or privileges under compacts, agreements, arrangements or declarations authorized by this act, to supply lists of vehicles for which exemptions and privileges are requested and to require the vehicles to display a reciprocity plate or other identification prescribed by the board, as a prerequisite to the enjoyment of the exemptions and privileges claimed thereof.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.175 Highway reciprocity board officers and investigators; peace officers.

Sec. 15. The members of the board and such officers and investigators of their respective departments as they shall designate shall have the powers conferred upon peace officers by the general laws of this state when enforcing the provisions of this act. Nothing in this act shall be construed as authorizing the board or the members of the board to create a highway patrol.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.176 Public service commission; rules for vehicles in foreign commerce.

Sec. 16. The compacts, agreements and arrangements shall not operate to supersede or suspend the power and authority and discretion of the Michigan public service commission to make and enforce rules and regulations governing motor carriers for hire or to grant or deny certificates or permits to motor carriers for hire. The public service commission may adopt rules and regulations making applicable to vehicles operated in foreign commerce over the highways of this state similar provisions to those prescribed by Act No. 254 of the Public Acts of 1933, as amended, being sections 475.1 to 479.20 of the Compiled Laws of 1948, for vehicles operated in interstate and intrastate commerce over the highways of this state and by rule may make applicable to vehicles operating in foreign commerce fees and charges similar to those imposed upon vehicles of this state operating in other countries in foreign commerce.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.

3.177 Repeal.

Sec. 17. Act No. 185 of the Public Acts of 1937, as amended, being sections 3.151 to 3.154 of the Compiled Laws of 1948 is hereby repealed.

History: 1960, Act 124, Imd. Eff. Apr. 26, 1960.