

Thomas E. Wright, Chairman Joseph F. Harkins, Commissioner Ward Loyd, Commissioner

Before the House Agriculture & Natural Resources Committee Comments by the Staff of the Kansas Corporation Commission January 18, 2011

Commercial Drivers License (CDL) Reciprocity Agreements

Chairperson Powell and Members of the Committee:

My name is Mike Hoeme. I am the Director of Transportation for the Kansas Corporation Commission. The Transportation division is responsible for administering and enforcing the economic and safety statutes and regulations governing motor carrier operations.

I thank you for the invitation to appear before you to discuss Kansas's newest exemption for farmers operating in interstate commerce. Recently, the State of Kansas signed reciprocity agreements with Nebraska, Missouri and Oklahoma which permit farmers to operate CDL classified farm vehicles across state lines without requiring commercial driver's licenses.

In Kansas, the CDL requirements are set out in K.S.A. 8-2,125 et seq. and are administered by the Department of Revenue. Traditionally, Federal and State laws require any person operating a commercial motor vehicle with a gross vehicle weight rating of at least 26,001 pounds or more; or a vehicle designed to transport 16 or more passengers including the driver; or any vehicle used to transport placardable quantities of hazardous materials, to obtain a CDL prior to operation.

Before the signing of the reciprocity agreements, Kansas statutes only permitted Kansas farmers a CDL exemption radius of a 150 miles from the farmer's farm as long as the transportation remained within the State's borders. The new agreements with Nebraska, Missouri and Oklahoma, now extend the CDL exemption to cover those commercial vehicle operations up to 150 miles from the farmer's farm in both intrastate and interstate commerce. Under the terms of the agreements, any driver entering or exiting Kansas from Nebraska, Missouri or Oklahoma and who possesses a valid non-commercial driver's license, may operate a farm vehicle within the reciprocal state, if:

- The vehicle is a properly operated and registered farm vehicle under the laws of the home state;
- The vehicle is controlled and operated by a farmer which includes the operation by his or her employees or family members so long as the operator holds a valid driver's license and is 18 years of age or older;
- The vehicle is used exclusively to transport either agricultural products, farm machinery, farm supplies, or both to or from the farmer's farm;
- The vehicle is not used in the commercial operations of a common or contract carrier;
- The vehicle is not a combination of a truck-tractor and semi-trailer (Nebraska only); and,
- The vehicle is only used within 150 miles of the farmer's farm.

These agreements still require the farm vehicle drivers to comply with the applicable safety and hazardous material regulations. This means that while the agreements open the borders for certain farm operations, drivers are required to comply with the strictest level of safety and hazardous materials requirements existing in either the driver's home state, the reciprocal state or federal law.

Reaching these agreements has been a time consuming effort requiring the coordination of multiple state agencies. I would like to take this opportunity to thank the Department of Revenue and the Highway Patrol for their time and effort on this project.

Thank you again for the opportunity to appear before you today and I would be pleased to answer any questions.



phone: 785-271-3100 fax: 785-271-3354 http://kcc.ks.gov

Corporation Commission

Sam Brownback, Governor Thomas E. Wright, Chairman Joseph F. Harkins, Commissioner Ward Loyd, Commissioner

For Immediate Release: Tuesday, January 11, 2011 For More Information: Cara Sloan-Ramos, (785) 271-3269

Kansas Signs Reciprocity Agreements with Nebraska, Missouri and Oklahoma Facilitates the interstate transfer of farm goods

Topeka, KS – The State of Kansas has signed agreements with the States of Nebraska, Missouri and Oklahoma to permit farmers to operate farm vehicles across state lines without requiring commercial driver's licenses. Each agreement outlines the state's commercial driver's license requirements and list exemptions for the operators of farm vehicle drivers. Without these agreements, the exemption would not extend beyond the border of the farmer's home state.

"Such partnerships allow our agriculture industry to utilize federal exemptions, thus easing the regulatory burden on our farmers and ranchers," said Mike Hoeme, Director of the Kansas Corporation Commission's Transportation Division.

Under the terms of the agreements, any driver entering or exiting Kansas into or from Nebraska, Missouri or Oklahoma who possesses a valid non-commercial driver's license may operate a farm vehicle within either state, respectively, if the farm vehicle:

- Is a properly operated farm vehicle under the laws of either state;
- Is controlled and operated by a farmer, including operation by his or her employees or family members, so long as the operator holds a valid driver's license in either state and is 18 years of age or older;
- Is used exclusively to transport either agricultural products, farm machinery, farm supplies, or both to or from the farmer's farm;
- Is not used in the operations of a common or contract carrier;
- Is not a combination of truck-tractor and semi-trailer (Nebraska only);
- Is properly registered as a farm vehicle or farm truck; and
- Is only used within 150 air miles of the farmer's farm.

This agreement additionally stipulates that additional rules and conditions will apply to farm vehicle drivers transporting hazardous materials. Drivers must comply with the strictest of (1) the respective state's safety requirements; (2) Kansas' safety requirement; or (3) Federal safety requirements, as such requirements relate to the transportation of hazardous materials.

Kansas is collaborating with Colorado, Iowa, Texas and Arkansas to arrive at similar agreements.

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Kansas Corporation Commission - Transportation Livision

Interstate Guidelines for the Kansas Farm Vehicle Driver

Transporting Grain, Cattle & Hay

The State of Kansas and the Federal Motor Carrier Safety Administration (FMCSA) both have jurisdiction over Safety regulations, Commercial Drivers License (CDL), and Hazardous Material operators engaged in intrastate and/or interstate commerce.

Kansas Intrastate Commerce Policy:

Absent clear evidence of the farmer's intent to engage in interstate commerce, an intrastate carrier is a carrier who operates solely in intrastate commerce and does not transport placardable quantities of hazardous materials. If the operation is solely within the state of Kansas and the commerce engaged in is solely within the state of Kansas, the shipment is considered intrastate commerce.

CFR Title 49 Part 390.5 defines:

Interstate commerce as: trade, traffic, or transportation in the United States:

- (1) Between a place in a State and a place outside of such State (including a place outside of the United States);
- (2) Between two places in a State through another State or a place outside of the United States; or
- (3) Between two places in a State as part of trade, traffic, or transportation originating or terminating outside the State or the United States.

Kansas farmers operating Commercial Motor Vehicle's (CMV) "<u>wholly in intrastate commerce</u>" are exempt from the state's safety regulations under K.S.A. 66-1,129 (c) (1) which states:

- (c) Any rules and regulations of the commission, adopted pursuant to this section, shall not apply to the following, while engaged in the carriage of intrastate commerce in this state:
- (1) The owner of livestock or producer of farm products transporting livestock of such owner or farm products of such producer to market in a motor vehicle of such owner or producer, or the motor vehicle of a neighbor on the basis of barter or exchange for service of employment, or to such owner or producer transporting supplies for the use of such owner or producer (in or producer), or in the motor vehicle of a neighbor on the basis of barter or exchange for service or employment.

Farm vehicle driver as: a person who drives a commercial motor vehicle that is:

- Controlled and operated by a farmer as a private motor carrier of property;
- Being used to transport either agricultural products, farm machinery, farm supplies, or both to or from the farm;
- Not being used in the operation of a for-hire motor carrier;
- Not carrying hazardous materials of a type or quantity that requires the commercial motor vehicle to be placarded;
- Being used within 150 air-miles of the farm.

Check List for Farm Operations

- Are you subject to Federal Motor Carrier Safety Regulations?
- ✓ Do you operate a Commercial Motor Vehicle (CMV) in interstate commerce?
- ✓ To learn more visit www.fmcsa.dot.gov and select "All Regulations" or Hazardous Materials.

Farm vehicle drivers in interstate commerce are subject to federal safety regulations listed on the reverse side:

deral Motor Carrier Sa. Regulations (FMCSR)		
Title 49 CFR Part 382,	 Drug and Alcohol Testing Programs ✓ Drivers are subject to Drug and Alcohol testing if they operate a CDL class motor vehicle in intrastate or interstate commerce beyond 150 miles from the farm or ranch including: Pre-employment, post accident, reasonable suspicion, and random alcohol and controlled substance testing. Documentation of Supervisors two hour training for reasonable suspicion. Documentation of driver's receipt of training materials. 	
Part 383	Commercial Drivers License (CDL) Drivers are subject to a CDL beyond 150 miles from the farm or ranch, when operating a CDL class motor vehicle within the state of Kansas; or at any point beyond the state line of a state that doesn't have a reciprocity agreement with Kansas.	
Part 390	General Applicability and Definitions Intrastate agriculture operations are exempt, interstate motor vehicles must comply with: USDOT number and marking requirements.	
Part 391	 Qualification of Drivers ✓ Intrastate agriculture operations are exempt; interstate drivers operating straight trucks within 150 air-miles of the farm are exempt, beyond 150 air-miles no exceptions. ✓ Interstate drivers operating combination motor vehicles within 150 air-miles of the farm must be physically qualified and carry a medical examiner's certificate. ✓ Interstate drivers operating motor vehicles beyond 150 air-miles of the farm shall maintain driver files that include: Driver application for employment; Motor Vehicle Record (MVR); 	
	 Inquiry to previous employers; Copy of medical examiners certificate; Drivers road test documentation; Annual driver's certification of violations and annual review of driving record; Driver data sheet, new employee or intermittent driver; Entry level driver training certification. 	
Part 392	Operating Commercial Motor Vehicles Intrastate agriculture operations are exempt. Interstate drivers and motor vehicles must comply with Sick or Fatigued operator regulations (392.3); Alcohol and controlled substance prohibition (392.4 and 5); Seat Belt Use (392.16); Operating of CMV (392.9a); Emergency equipment (392.8); Inspection of cargo (392.9).	
Part 393	Parts and Accessories Necessary for Safe Operation Intrastate agriculture operations are exempt, interstate drivers and motor vehicles must comply with Lighting devices; Brakes; Coupling devices; Emergency equipment; Protection against shifting and falling cargo; Frames, wheels, steering, and suspension systems.	
Part 395	Hours of Service (HOS) Intrastate agriculture operations are exempt; interstate agriculture operations are exempt from the HOS within 100 air-miles of the farm, Part 395.1(k), beyond 100 air miles of the farm or ranch a Log Book is required.	
Part 396	Inspection Repair and Maintenance Intrastate agriculture operations are exempt; interstate drivers and motor vehicles must comply with Lubrication; Unsafe operation forbidden; Inspection of vehicles in operation; Driver vehicle inspection reports; Periodic inspection; and Inspector qualifications.	
Part 397	Hazardous Materials (HM) Driving and Parking Rules ✓ Before transporting hazardous materials in any quantity, see Part 173.5 intrastate agriculture exceptions and requirements. Visit the Commission website at http://kcc.ks.gov/ for specifics on transporting Anhydrous Ammonia, Diesel Fuel, Gasoline or any other hazardous material.	

Call Gary Davenport, Deputy Director, Transportation (785-271-3151) or Mike Hoeme, Director, Transportation (785-271-3333) with any questions about how these rules apply to your operation.

Kansas Corporation Commission - Transportation Division, 1500 SW Arrowhead Road, Topeka, KS 66604 785-271-3231 http://kcc.ks.gov/ 08/10



ínark Parkinson, Governor Joan Wagnon, Secretary www.ksrevenue.org

April 22, 2010

Doug Donscheski MCSAP Manager Nebraska State Patrol, Carrier Enforcement 3920 West Kearney Lincoln, NE 68524

Re: Interstate Reciprocity between Nebraska and Kansas Regarding Farm Vehicle Use.

Dear Mr. Donscheski:

I am in receipt of your April 7, 2010 email wherein you requested the inclusion of an extra sentence in paragraph 15 of the Reciprocity Agreement. I have consulted with my client and your new language is acceptable. Rather than rewrite the agreement, I propose you have your side execute the following addendum to the original agreement. An addendum requires less signatures for me.

If my proposal is acceptable, I would recommend you execute the original Reciprocity Agreement and then the attached addendum. I would respectfully request that you return one original of each back to my office, so that I may file the Agreement and addendum as required by statute. If you have any further questions, please call me at (785) 296 0350.

Ted F. Smith

Sincerel

Director of Vehicles

Attachment.

DECLARATION OF INTERSTATE RECIPROCITY AGREEMENT BETWEEN THE STATE OF NEBRASKA AND THE STATE OF KANSAS

THIS RECIPROCITY AGREEMENT is entered into by the State of Kansas, acting through the Director of Vehicles, Department of Revenue, Division of Vehicles, 915 SW Harrison Street, Topeka, Kansas 66626, ("KS DMV") and the State of Nebraska, acting through the Department of Motor Vehicles, and Nebraska State Patrol, (NE DMV NSP) at P.O. Box 94789, Lincoln, NE 68509-4789, and at 1600 Highway 2, Lincoln, NE 68502, respectively. WITNESSETH:

WHEREAS, The Federal Motor Carrier Safety Administration (FMCSA) has adopted rules implementing the Commercial Motor Vehicle Safety Act of 1986, Public Law 99-570 (49 United States Code Chapter 313). FMCSA has authorized states to exempt certain drivers, including operators of farm vehicles, as defined by Title 49, Code of Federal Regulations ("C.F.R.") Part 390.5, from the commercial driver's license requirements pursuant to 49 C.F.R. 383.3(d). Pursuant to 49 C.F.R. Sec. 383.3(d), Kansas and Nebraska legislatures have enacted laws exempting operators of farm vehicles from the commercial driver's license requirement. (See: K.S.A. 2009 Supp. § 8-1,127(a); Neb.Rev.Stat. § 60-462.01 and § 60-465). That under K.S.A. 8-127(b) and K.S.A. 74-4302, the Director of Vehicles for KS DMV has authority to enter into this MOA.

WHEREAS, 49 C.F.R 383.3(d) limits the use of a farm vehicle exemption to the driver's home state, unless the home state has entered into a reciprocity agreement with adjoining states; and

WHEREAS, KS DMV and NE DMV NSP wish to enter into a Reciprocity Agreement to allow farm vehicle operators licensed in Kansas or Nebraska to be exempt from the commercial

driver's license requirement when operating farm vehicles in the other participating state, provided such operation is consistent with the exemption in 49 CFR 383.3(d) and each state's respective state law on farm vehicle exemptions to the commercial driver's license requirement. The Parties believe it will benefit both States and their citizens, for the States to enter into this Reciprocity Agreement, granting interstate reciprocity and proportional licensing as stated below. This Reciprocity Agreement documents the rights and responsibilities of KS DMV and NE DMV NSP.

NOW THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the Parties agree as follows:

- 1. This Reciprocity Agreement shall be in effect commencing on the date it is last executed by the duly authorized representatives of KS DMV and NE DMV NSP and shall continue until either Party terminates the Reciprocity Agreement, as described in paragraph (4) below, or a statutory change becomes effective that prohibits the use of reciprocity agreements to extend commercial driver's license exemptions to adjoining states.
- 2. KS DMV and NE DMV NSP agree that any driver from either Kansas or Nebraska who possesses a valid non-commercial driver's license may operate a farm vehicle within either state if the farm vehicle:
 - A. Is a properly operated farm vehicle under the laws of either state;
 - B. Is controlled and operated by a farmer, including operation by his or her employees or family members, so long as the operator holds a valid driver's license in either state and is eighteen (18) years of age or older;
 - C. Is used exclusively to transport either agricultural products, farm machinery, farm supplies, or both to or from the farmer's farm;
 - D. Is not used in the operations of a common or contract carrier;

- E. Is not a combination of truck-tractor and semi-trailer;
- F. Is properly registered as a farm vehicle or farm truck; and
- G. Is used only within 150 air miles of the farmer's farm.
- 3. Either Party may terminate this Reciprocity Agreement at any time for a material breach of contractual obligations by providing the other Party with written notice of termination. Such termination will become effective 30 days after written notice is provided to the Parties of this Reciprocity Agreement.
- 4. Unless terminated pursuant to paragraph 3, this Reciprocity Agreement shall remain in effect as long as the reciprocity contemplated herein is statutorily authorized. Should either state or federal law ever prohibit the reciprocity contemplated herein, this Reciprocity Agreement is null and void.
- 5. This Reciprocity Agreement shall be limited to reciprocity of licensing rights, specified in paragraph 2 above, between the States and does not address reciprocity between the States with regard to vehicle registration requirements.
- 6. This Reciprocity Agreement shall be binding upon the Parties and their successors and assigns.
- 7. Each Party will be responsible for its own acts and the results from those acts and shall not be responsible for the acts of the other Party and the results arising from those acts.

 Each Party agrees, to the extent allowed by law, that it will assume all risk and liability to itself, its agents or employees for any injury to persons or property resulting from any operations or conduct of its agents or employees under this Reciprocity Agreement. Each Party's liabilities shall be governed by each Party's applicable state law.
- 8. Any action at law, suit in equity, or other judicial proceeding to enforce or construe this Reciprocity Agreement or regarding its alleged breach, shall be instituted only in the Third

Judicial District, Shawnee County, Kansas or in the District Court of Lancaster County, Nebraska.

- 9. This Reciprocity Agreement is made for the sole benefit of the Parties hereto and nothing herein shall be construed to give any rights or benefits to anyone other than KS DMV or NE DMV NSP.
- 10. The Parties declare that the cooperative undertaking herein described shall be administered by the Director of Vehicles for KS DMV and the Secretary for the NE DMV NSP or such authorized designees as the Parties may designate in writing.
- 11. Any notice or other communication required under this Reciprocity Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to the Director of Vehicles on behalf of KS DMV, and by and to the Superintendent of the Nebraska State Patrol and Director of the Nebraska Department of Motor Vehicles on behalf of NE DMV NSP, or such authorized designees as the Parties may designate in writing. Notices or communications to or between the Parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such Party.
- 12. Any change in this Reciprocity Agreement whether by modification or supplementation, must be accomplished by a formal amendment signed and approved by the duly authorized representatives of KS DMV and NE DMV NSP.
- 13. If any court of competent jurisdiction holds any provision of this Reciprocity

 Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision.
- 14. All prior discussions, communications and representations concerning the subject matter of this Reciprocity Agreement are superseded by the terms of this Reciprocity Agreement,

and except as specifically provided herein, this Reciprocity Agreement constitutes the entire agreement with respect to the subject matter.

- 15. Nothing herein waives or limits sovereign immunity under federal or state statutory or constitutional law. The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the States to reiterate that nothing related to this Agreement shall be deemed a waiver of the Eleventh Amendment.

 Nothing in this Reciprocity Agreement shall be construed as an indemnification by one Party of the other for liabilities of a participating agency or third persons for property loss or damage or death or personal injury arising out of and during the performance of activities under this Reciprocity Agreement. Any liabilities or claims for property loss or damage or for the death or personal injury by a Party or its employees or by third persons, arising out of or during the performance of activities under this Reciprocity Agreement shall be determined according to applicable law. Nothing in this Reciprocity Agreement shall be considered as a waiver by the State of Kansas of any provisions of the Kansas Tort Claims Act, K.S.A. 75-6101 et seq.
- 16. This Reciprocity Agreement is intended only to govern the rights and interest of the Parties. It is not intended to, does not and may not be relied upon to create any rights, substantial or procedural, enforceable at law by any third party in any matters, civil or criminal.
- 17. This Reciprocity Agreement is limited to commercial driver's license exemptions for operators of farm vehicles as specified in paragraph 2. All other laws governing motor vehicles, vehicle registration requirements, and driver's licenses administered by the respective Parties remain in full force and effect.
- 18. By the signature of their representative below, KS DMV and NE DMV NSP certify that approval of this Reciprocity Agreement by appropriate means has been obtained by that

governmental body's officer and that the representative is authorized to sign on the Party's behalf.

- 19. This Reciprocity Agreement shall be properly approved and filed as required by each state's respective laws.
- 22. In addition to the Parties' execution this agreement, the terms and conditions of this Reciprocity Agreement have been circulated amongst the affected State agencies. Authorized representatives of such agencies concur that this Reciprocity Agreement is in the best interests of their respective states.

In Witness Whereof, the Parties signify their agreement effective on the last date all the duly authorized representatives of the Parties have affixed their signatures below.

KANSAS DIVISION OF VEHICLES

By Collinson (ellipse)
Carmen Alldritt
Director of Vehicles for KS DMV
Docking State Office Building, 1st Floor
915 SW Harrison Street
Topeka, KS 66626-0001
Date: $\frac{37e}{2.10}$
By Ille of 11 topice
Colonel Terry Maple //
Superintendent, Kansas Highway Patrol
122 SW 7 th
Topeka, KS, 66603
Date: <u>2/26/20 (0</u>
Q 1 12 2 2 2
By Sindy Laleffy
Susan K. Duffy
Executive Director, Kansas Corporation Commission
1500 Southwest Arrowhead Road
Topeka, KS 66604-4027
Date: 3/25/20/0

NEBRASKA DEPARTMENT OF MOTOR VEHICLES:

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100 100 100 100 100 100 100 100 100 100	Director
	Date 4/29/10
	NEBRASKA STATE PATROL
	By Colonel Brian Tuma
	Superintendent Date 9/28/10
	Date 1/80//0

Approved as to Form:

KS DMV Counsel

KS KHP Counsel

KS KCC Counsel

ME DMV Counsel

NE DMV Counsel

FIRST AMENDMENT TO THE DECLARATION OF INTERSTATE RECIPROCITY AGREEMENT BETWEEN THE STATE OF NEBRASKA AND THE STATE OF KANSAS

This amendment to the Declaration of Interstate Reciprocity Agreement Between the State of Nebraska and the State of Kansas is entered into by and between the Director of Vehicles, Kansas Department of Revenue, Division of Vehicles, 915 SW Harrison Street, Topeka, Kansas 66626, ("KS DMV") and the State of Nebraska, acting through the Department of Motor Vehicles, and Nebraska State Patrol, (NE DMV NSP) at P.O. Box 94789, Lincoln, NE 68509-4789, and at 1600 Highway 2, Lincoln, NE 68502, and shall be amended, effective upon signature by both parties.

WHEREAS, L-1 and KDOR have entered into an original agreement on April 29, 2010 providing for interstate reciprocity for certain classes of Nebraska and Kansas drivers (the agreement is hereinafter referred to as "Reciprocity Agreement"); and

WHEREAS, NE DMV NSP is desirous of including an additional provision setting out limits on potential NE DMV NSP hability.

WHEREAS, KS DMV is amenable to the inclusion of the clause, set out below in paragraph 1.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, KS DMV and NE DMV NSP do hereby mutually covenant and agree add the following language to the Reciprocity Agreement:

 The Reciprocity Agreement shall be modified by adding the following language to the end of paragraph 15:

Nothing in this Reciprocity Agreement shall be considered as a waiver by the State of Nebraska of any provision of the State Tort Claims Act, Neb.Rev.Stat 81-8,209 et.seq.

2) All other terms and conditions of the Reciprocity Agreement shall remain the same.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized official or officers.

NEBRASKA DEPT. OF MOTOR VEHICLES	KANSAS DIVISION OF VEHICLES
David Not 4/29/10	Comen allevent 4/21/2010
Date Director, Nebraska Department of Vehicles 301 Centennial Mall South Lincoln, NE 68509-4789	Carmen Alldritt Date Director of Vehicles for KS DMV Docking State Office Building, 1" Floor 915 SW Harrison Street
NEBRASKA HIGHWAY PATROL Colonel Brian Tuma, Superintendent P.O. Box 94907 Lincoln, NE 68509	Topeka, KS 66626-0001 Topeka, KS 66626-0001 Alz1/2010 ASDMY Legal ownsul
Date 4/25/2010 Signature 1/25/2010	APPROVED AS TO FORM. Was 1/28/10 Was 1/28/10

CCO Form:

Approved: 07/10 (AML)

Revised: Modified:

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION MEMORANDUM OF UNDERSTANDING WITH THE STATE OF KANSAS DEPARTMENT OF REVENUE, DIVISION OF VEHICLES

THIS MEMORANDUM OF UNDERSTANDING, (hereinafter, "MOU") is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the State of Kansas Department of Revenue, Division of Vehicles (hereinafter, "KS DMV").

WITNESSETH:

WHEREAS, the Commercial Motor Vehicle Safety Act of 1986, Public Law 99-570 (49 United States Code Chapter 313), requires any person who operates a vehicle in commerce designed to transport 16 passengers or more (including the driver) or property with a gross vehicle weight rating of at least 26,001 pounds, or a lesser gross vehicle weight, if prescribed by the Federal Motor Carrier Safety Administration in an administrative rule; or used to transport hazardous material, to obtain a commercial driver's license; and,

WHEREAS, in its administrative rules implementing the Commercial Motor Vehicle Safety Act of 1986, the Federal Motor Carrier Safety Administration has authorized states to exempt certain drivers, including operators of farm vehicles, from the commercial driver's license requirements pursuant to Title 49, Code of Federal Regulations (hereinafter "CFR") Part 383.3(d); and,

WHEREAS, operating under the authority granted by 49 CFR 383.3(d), the Missouri and Kansas legislatures have both enacted laws exempting operators of farm vehicles from the commercial driver's license requirement (see Section 302.775 Revised Statutes of Missouri; Kansas Statutes Annotated 2010 Supp. §8-2,127(a)); and,

WHEREAS, 49 CFR 383.3(d) limits the use of a farm vehicle exemption to the driver's home state, unless the home state has entered into a reciprocity agreement with adjoining states; and,

WHEREAS, the Commission and the KS DMV wish to enter into a reciprocity agreement to allow operators of farm vehicles licensed in either Missouri or Kansas to be exempt from the commercial driver's license requirement when such operators are operating farm vehicles in the other participating state, provided such operation is consistent with the exemption in 49 CFR 383.3(d) and each state's respective state law on farm vehicle exemptions to the commercial driver's license requirement; and,

WHEREAS, an agreement is necessary to document the rights and responsibilities of the Commission and the KS DMV regarding this MOU.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the parties agree as follows:

- (1) <u>DURATION OF MOU</u>: This MOU shall be in effect commencing on the date the MOU is last executed by the Commission and the KS DMV and shall continue until one of the parties terminates the MOU, as described in paragraph (5) below, or until a statutory change becomes effective that prohibits the use of reciprocity agreements to extend commercial driver's license exemptions to adjoining states. Should either state or federal law ever prohibit the reciprocity contemplated herein, this MOU is null and void.
- (2) <u>OBLIGATIONS OF PARTIES</u>: The Commission and the KS DMV agree that any driver from either Missouri or Kansas who possesses a valid non-commercial driver's license may operate a farm vehicle within either state if the farm vehicle:
- (A) Is properly operated as a farm vehicle under the laws of either state;
- (B) Is controlled and operated by a farmer, including operation by his or her employees or family members, so long as the operator holds a valid driver's license in either state and is eighteen (18) years of age or older;
- (C) Is used exclusively to transport agricultural products, farm machinery, and/or farm supplies to or from the farmer's farm;
 - (D) Is not used in the operations of a common or contract carrier;
- (E) Complies with the hazardous materials requirements and conditions included in Paragraph (3);
 - (F) Is properly registered as a farm vehicle; and
 - (G) Is only used within 150 miles of the farmer's farm.
- (3) <u>HAZARDOUS MATERIALS CONDITIONS</u>: The Commission and the KS DMV agree that additional rules and conditions shall apply to farm vehicle drivers referenced in Paragraph (2) above when the driver is transporting hazardous materials which must be marked or placarded in accordance with Federal requirements, as set forth below:
- (A) When operating in either State under this MOU, farm vehicle drivers must comply with the strictest of: (1) Missouri's safety requirements; (2) Kansas' safety requirements; or (3) Federal safety requirements, as such requirements relate to the transportation of hazardous materials;

- (B) Farm vehicle drivers must comply with Federal laws relating to the transportation of hazardous materials, including, but not limited to, 49 CFR Parts 171, 172, 385, and 397; and
- (C) Any person who is twenty-one (21) years of age or older driving a farm vehicle exclusively for the transportation of agricultural products, farm machinery, farm supplies or fertilizers, which may include, but are not limited to, ammonium nitrate, phosphate, nitrogen, anhydrous ammonia, lime, potash, motor fuel or special fuel may operate in either State under this MOU, provided the total combined gross weight rating of the farm vehicle does not exceed twenty-six thousand one pounds (26,001 lbs.) when transporting these hazardous materials or a combination of them and provided the driver and farm vehicle meet the Federal requirements, as well as the requirements in Paragraph (2) above.
- (4) <u>COOPERATION AND DISCLOSURE OF INFORMATION</u>: The parties agree to notify one another prior to promulgating any administrative rules regarding the terms of this MOU or regarding the commercial driver's license exemption for operators of farm vehicles.

(5) TERMINATION:

- (A) <u>Termination For Material Breach of Obligations</u>: The parties each have the authority to terminate this MOU at any time for a material breach of contractual obligations by providing the other party with written notice of termination. Should either party exercise its right to terminate the contract for such reasons, termination will become effective thirty (30) days after written notice is provided to the other party.
- (B) <u>Termination Without Cause</u>: The parties each have the authority to terminate this MOU at any time without cause by providing the other party with written notice of termination. Should either party exercise its right to terminate the contract without cause, termination will become effective ninety (90) days after written notice is provided to the parties.
- (6) <u>SUCCESSORS AND ASSIGNS</u>: The parties agree that this MOU and all agreements entered into under the provisions of this MOU shall apply to and be binding upon the parties hereto and their successors and assigns.
- (7) RESPONSIBILITIES OF THE PARTIES: Each party will be responsible for its own acts and the results arising from those actions and shall not be responsible for the acts of the other party and the results arising from those actions. Each party agrees, to the extent allowed by law, that it will assume all risk and liability to itself, its agents or employees for any injury to persons or property resulting from any operations or conduct of its agents or employees under this MOU, and for any loss, cost, damage or expense resulting at any time from any and all causes due to any acts or acts of negligence, or failure to exercise proper precautions, of or by itself or its own agents or own employees,

while performing its obligations under this MOU. Each party's liabilities shall be governed by applicable state law.

- SOVEREIGN IMMUNITY AND NO THIRD PARTY BENEFICIARIES: Nothing herein shall be construed as consent by the State of Missouri to suit in the courts of the State of Kansas or a waiver of its sovereign immunity or rights under the Eleventh Article of Amendment to the Constitution of the United States. Nothing herein shall be construed as consent by the State of Kansas to suit in courts of the State of Missouri or a waiver of its sovereign immunity or rights under the Eleventh Article of Amendment to the Constitution of the United States. Nothing herein waives or limits sovereign immunity under federal or state statutory or constitutional law. The Eleventh Amendment is an inherent and incumbent protection with the States of Kansas and Missouri and need not be reserved, but prudence requires the States to reiterate that nothing related to this Agreement shall be deemed a waiver of the Eleventh Amendment. Nothing in this Agreement shall be deemed to create or give rise to any right of action in, or any liability to, or any third party claiming to have suffered a loss, damage or injury by virtue of any alleged failure by either party to comply with the terms of this Agreement. This Agreement does not grant any rights to any party except Kansas and Missouri. Nothing in this MOU shall be considered as a waiver by the State of Kansas of any provisions of the Kansas Tort Claims Act, K.S.A. 75-6101 et seq.
- (9) <u>SOVEREIGNTY</u>: Missouri and Kansas enter into this Agreement as sovereign states and not as principal and agent or as a joint venture.
- (10) <u>VENUE</u>: Any action at law, suit in equity, or other judicial proceeding to enforce or construe this MOU, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri or in the Third Judicial District Court, Shawnee County, Kansas.
- (11) <u>SOLE BENEFICIARY</u>: This MOU is made for the sole benefit of the parties hereto and nothing in this MOU shall be construed to give any rights or benefits to anyone other than the Commission and the KS DMV.
- (12) <u>AMENDMENTS</u>: Any change in this MOU, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the Commission and the KS DMV.
- (13) <u>COMMISSION REPRESENTATIVE</u>: The Commission's Director of Motor Carrier Services is designated as the Commission's representative for the purpose of administering the provisions of this MOU. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this MOU.
- (14) KS DMV REPRESENTATIVE: The KS DMV's Director of Vehicles is designated as the KS DMV's representative for the purpose of administering the provisions of this MOU. The KS DMV's representative may designate by written notice

other persons having the authority to act on behalf of the KS DMV in furtherance of the performance of this MOU.

- (15) <u>CONSENT FOR ASSIGNMENT</u>: No party to this MOU shall assign, transfer, or delegate any interest in this MOU without the prior written consent of the other party.
- (16) <u>NOTICES</u>: Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed given three (3) days after delivery by United States mail, regular mail postage prepaid, or upon receipt by personal or facsimile delivery, addressed as follows:
 - (A) To the Commission:
 Jan Skouby
 Director of Motor Carrier Services
 P.O. Box 893
 Jefferson City, MO 65102
 Fax: (573) 751-4354
 - (B) To the KS DMV:
 Carmen Aldritt
 Director of Vehicles
 915 SW Harrison Street
 Topeka, KS 66626
 Fax: (785) 291-3755

or to such other place as the parties may designate in accordance with this MOU. To be valid, facsimile delivery shall be followed by delivery of the original document, or a clear and legible copy thereof, within three (3) business days of the date of facsimile transmission of that document.

- (17) <u>SECTION HEADINGS</u>: All section headings contained in this MOU are for the convenience of reference only and are not intended to define or limit the scope of any provision of this MOU.
- (18) <u>SEVERABILITY</u>: If any clause or provision of this MOU is found to be void or unenforceable by a court or agency of proper jurisdiction, then the remaining provisions not void or unenforceable shall remain in full force and effect.
- (19) <u>CONTRACT LANGUAGE</u>: The language of this MOU reflects negotiations between the Commission and the KS DMV, each of which have had the opportunity to modify the text. In the event of litigation or other dispute concerning the language of this MOU, general rules construing ambiguities against the drafter shall not apply. The parties agree that Paragraph (3) was included in this MOU to ensure consistency with Missouri statutory requirements applicable to farm vehicles transporting hazardous materials.

- (20) <u>AUTHORITY TO EXECUTE</u>: The signers of this MOU warrant that they are acting officially and properly on behalf of their respective institutions and have been duly authorized, directed and empowered to execute this MOU.
- (21) <u>ENTIRE AGREEMENT</u>: This MOU represents the entire understanding and agreement between the parties hereto regarding this subject and supercedes all prior understandings, communications and agreements, written or oral between the parties hereto with respect to the subject matter hereof.
- (22) <u>APPLICABLE TO FARM VEHICLES ONLY</u>: This MOU is limited to commercial driver's license exemptions for operators of farm vehicles, as specified in Paragraph (2). All other laws governing motor vehicles and driver's licenses administered by the respective parties remain in full force and effect.
- (23) <u>LEGAL AUTHORITY:</u> That under K.S.A.. 8-127(b) and K.S.A. 74-4302, the Director of Vehicles for KS DMV has authority to enter into this MOU. That Parties believes it to be beneficial to both States, their citizens, and agricultural industries, if the States entered into this MOU granting interstate reciprocity and proportional licensing upon terms set out herein.
- (24) OTHER STATE AGENCIES: In addition to the parties executing this MOU, the terms and conditions of this MOU have been circulated amongst the affected State agencies, Kansas Highway Patrol and the Kansas Corporation Commission, and appropriate representatives of such agencies have been advised and do not object to the parties entering into this MOU, as the parties agree it is in the best interest of their respective States.

the parties have entered into this Memorandum of en below.
nis 25 day of September, 2010.
n this 9 day of Sept. 20/0
KANSAS DEPARTMENT OF ON REVENUE, DIVISION OF MOTOR VEHICLES
By Clerun (Eleden)
Director of Motor Vehicles
ATTEST:
Sennif datases
Title adm. Apecialist
Approved as to Form:
I led Smith
KS DMV Counsel
d by:
KANSAS CORPORATION COMMISSION

By / 4 / Superintendent Date 7/2/32

Approved as to Form:

1-21

Approved as to Form:

Counsel

DECLARATION OF INTERSTATE RECIPROCITY AGREEMENT BETWEEN THE STATE OF OKLAHOMA AND THE STATE OF KANSAS

THIS RECIPROCITY AGREEMENT is entered into by the Kansas Department of Revenue, Division of Vehicles (hereinafter "KS DMV") and the Oklahoma Department of Public Safety (hereinafter, "ODPS").

WITNESSETH:

WHEREAS, the Commercial Motor Vehicle Safety Act of 1986, Public Law 99-570 (49 United States Code Chapter 313), requires any person who operates a vehicle in commerce designed to transport 16 passengers or more (including the driver) or property: with a gross vehicle weight rating of at least 26,001 pounds, or a lesser gross vehicle weight, if prescribed by the Federal Motor Carrier Safety Administration in an administrative rule; or used to transport hazardous material to obtain a commercial driver's license; and,

WHEREAS, in its administrative rules implementing the Commercial Motor Vehicle Safety Act of 1986, the Federal Motor Carrier Safety Administration has authorized states to exempt certain drivers, including operators of farm vehicles, from the commercial driver's license requirements pursuant to Title 49, Code of Federal Regulations (hereinafter "CFR") Part 383.3(d); and,

WHEREAS, operating under the authority granted by 49 CFR 383.3(d), the Kansas and Oklahoma legislatures have both enacted laws exempting operators of farm vehicles from the commercial driver's license requirement (see Kansas Statutes Annotated 2010 Supp. § 8-2,127(a); Oklahoma statutes, title 47, section 1-107.4); and,

WHEREAS, 49 CFR 383.3(d) limits the use of a farm vehicle exemption to the driver's home state, unless the home state has entered into a reciprocity agreement with adjoining states; and,

WHEREAS, the KS DMV and the ODPS wish to enter into a reciprocal agreement to allow operators of farm vehicles licensed in either Kansas or Oklahoma to be exempt from the commercial driver's license requirement when such operators are operating farm vehicles in the other participating state, provided such operation is consistent with the exemption in 49 CFR 383.3(d) and each state's respective state law on farm vehicle exemptions to the commercial driver's license requirement; and,

WHEREAS, an agreement is necessary to document the rights and responsibilities of the KS DMV and the ODPS regarding this reciprocity agreement; and

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the parties agree as follows:

- (1) <u>DURATION OF RECIPROCITY AGREEMENT</u>: This Reciprocity Agreement shall be in effect commencing on the date the Reciprocity Agreement is last executed by both the KS DMV and the ODPS and shall continue until one of the parties terminates the agreement, as described in paragraph (4) below, or a statutory change becomes effective that prohibits the use of reciprocal agreements to extend commercial driver's license exemptions to adjoining states. Should either state or federal law ever prohibit the reciprocity contemplated herein, this Reciprocity Agreement shall become null and void.
- (2) OBLIGATIONS OF PARTIES: The KS DMV and the ODPS agree that any driver from either Kansas or Oklahoma who possesses a valid non-commercial driver's license may operate a farm vehicle within either state if the farm vehicle:
- (A) Is properly operated as a farm vehicle under the laws of either state;
- (B) Is controlled and operated by a farmer, including operation by his or her employees or family members, so long as the operator holds a valid driver's license in either state:
- (C) Is used exclusively to transport agricultural products, and/or farm machinery, and/or farm supplies, to or from the farmer's farm;
 - (D) Is not used in the operations of a common or contract carrier;
 - (E) Is properly registered as a farm vehicle; and
 - (F) Is only used within 150 miles of the farmer's farm.
- (3) <u>COOPERATION AND DISCLOSURE OF INFORMATION</u>: The parties agree to notify one another prior to promulgating any administrative rules regarding the terms of this Reciprocity Agreement or regarding the commercial driver's license exemption for operators of farm vehicles.

(4) <u>TERMINATION</u>:

- A. <u>Termination for Material Breach of Obligations</u>: The parties each have the authority to terminate this Reciprocity Agreement at any time for a material breach of contractual obligations by providing the other party with written notice of termination. Should either party exercise its right to terminate the contract for such reasons, termination will become effective 30 days after written notice is provided to the stakeholders of this Reciprocity Agreement.
- B. <u>Termination Without Cause</u>: The parties each have the authority to terminate this Reciprocity Agreement at any time without cause by providing the other party with written notice of termination. Should either party exercise its right to terminate the contract without cause, termination will become effective ninety (90) days after written notice is provided to the parties.
- (5) <u>SUCCESSORS AND ASSIGNS</u>: The parties agree that this Reciprocity Agreement and all agreements entered into under the provisions of this Reciprocity Agreement shall be binding upon the parties hereto and their successors and assigns.
- (6) <u>RESPONSIBILITIES OF THE PARTIES</u>: Each party will be responsible for its own acts and the results arising from those acts and shall not be responsible for the acts of the other party and the results arising from those acts. Each party agrees, to the extent allowed by law, that it will assume all risk and liability to itself, its agents or employees for any injury to persons or property resulting from any operations or conduct of its agents or employees under this Reciprocity Agreement. Each party's liabilities shall be governed by applicable state law. Nothing in this agreement shall be deemed to create any type of agency/agent relationship between the respective states and/or the named state agencies.
- (7) <u>VENUE</u>: Any action at law, suit in equity, or other judicial proceeding to enforce or construe this Reciprocity Agreement, or regarding its alleged breach, shall be instituted only in the District Court of Shawnee County, Kansas or in the District Court of Oklahoma County, Oklahoma.
- (8) <u>SOLE BENEFICIARY</u>: This Reciprocity Agreement is made for the sole benefit of the parties hereto and nothing in this Reciprocity Agreement shall be construed to give any rights or benefits to anyone other than the KS DMV and the ODPS. Nothing in this Agreement shall be deemed to create or give rise to any right of action in, or any liability to, or any third party claiming to have suffered a loss, damage or injury by virtue of any alleged failure by either party to comply with the terms of this Reciprocity Agreement. This Reciprocity Agreement does not grant any rights to any party except Kansas and Oklahoma.

- (9) <u>AMENDMENTS</u>: Any change in this Reciprocity Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the KS DMV and the ODPS.
- (10) KS DMV REPRESENTATIVE: The KS DMV's Director of Vehicles is designated as the KS DMV's representative for the purpose of administering the provisions of this Reciprocity Agreement. The KS DMV's representative may designate by written notice other persons having the authority to act on behalf of the KS DMV in furtherance of the performance of this Reciprocity Agreement.
- (11) <u>ODPS REPRESENTATIVE</u>: The Commissioner of ODPS is designated as the ODPS's representative for the purpose of administering the provisions of this Reciprocity Agreement. The ODPS's representative may designate by written notice other persons having the authority to act on behalf of ODPS in furtherance of the performance of this Reciprocity Agreement.
- (12) <u>CONSENT FOR ASSIGNMENT</u>: No party to this Reciprocity Agreement shall assign, transfer, or delegate any interest in this Reciprocity Agreement without the prior written consent of the other party.
- (13) <u>NOTICES</u>: Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed given three (3) days after delivery by United States mail, regular mail postage prepaid, or upon receipt by personal or facsimile delivery, addressed as follows:

(A) To the KS DMV:

Carmen Alldritt
Director of Vehicles
Docking State Office Building, Room 162
915 SW Harrison Street
Topeka, KS 66626
Fax: (785) 291-3755

B) To ODPS:

Kevin L. Ward Commissioner, Oklahoma Department of Public P.O. Box 11415 Oklahoma City, OK 73136 Fax: (405) 425-2324

(14) <u>SECTION HEADINGS</u>: All section headings contained in this Reciprocity Agreement are for the convenience of reference only and are not

intended to define or limit the scope of any provision of this Reciprocity Agreement.

- (15) <u>CONTRACT LANGUAGE</u>: The language of this Reciprocity Agreement reflects negotiations between the KS DMV and ODPS, each of which have had the opportunity to modify the text. In the event of litigation or other dispute concerning the language of this Reciprocity Agreement, general rules construing ambiguities against the drafter shall not apply.
- (16) <u>AUTHORITY TO EXECUTE</u>: The signers of this Reciprocity Agreement warrant that they are acting officially and properly on behalf of their respective institutions and have been duly authorized, directed and empowered to execute this Reciprocity Agreement.
- (17) <u>ENTIRE AGREEMENT</u>: This Reciprocity Agreement represents the entire understanding and agreement between the parties hereto regarding this subject and supersedes all prior understandings, communications and agreements, written or oral between the parties hereto with respect to the subject matter hereof.
- (18) SOVEREIGN IMMUNITY: Nothing herein shall be construed as consent by the State of Kansas to suit in the courts of the State of Oklahoma or a waiver of its sovereign immunity or rights under the Eleventh Article of Amendment to the Constitution of the United States. Nothing herein shall be construed as consent by the State of Oklahoma to suit in courts of the State of Kansas or a waiver of its sovereign immunity or rights under the Eleventh Article of Amendment to the Constitution of the United States. Nothing herein waives or limits sovereign immunity under federal or state statutory or constitutional law. The Eleventh Amendment is an inherent and incumbent protection with the States of Kansas and Oklahoma and need not be reserved, but prudence requires the States to reiterate that nothing related to this Agreement shall be deemed a waiver of the Eleventh Amendment. Nothing in this Reciprocity Agreement shall be deemed to create or give rise to any right of action in, or any liability to, or any third party claiming to have suffered a loss, damage or injury by virtue of any alleged failure by either party to comply with the terms of this Reciprocity Agreement. This Reciprocity Agreement does not grant any rights to any party except Kansas and Oklahoma. Nothing in this Reciprocity Agreement shall be considered as a waiver by the State of Kansas of any provisions of the Kansas Tort Claims Act, K.S.A. 75-6101 et seq. Nothing in this Reciprocity Agreement shall be considered as a waiver by the State of Oklahoma of any provisions of the Oklahoma Governmental Tort Claims Act, 51 O.S., §§ 151 et seq.
- (19) <u>APPLICABLE TO FARM VEHICLES ONLY</u>: This Reciprocity Agreement is limited to commercial driver's license exemptions for operators of

farm vehicles, as specified in Paragraph (2). All other laws governing motor vehicles and driver's licenses administered by the respective parties remain in full force and effect.

- (23) <u>LEGAL AUTHORITY:</u> That under K.S.A. 8-127(b) and K.S.A. 74-4302, the Director of Vehicles for KS DMV has authority to enter into this Reciprocity Agreement. That the Parties believe it to be beneficial to both States, their citizens, and agricultural industries, if the States entered into this Reciprocity Agreement granting interstate reciprocity and proportional licensing upon terms set out herein.
- (24) OTHER STATE AGENCIES: In addition to the parties executing this Reciprocity Agreement, the terms and conditions of this Reciprocity Agreement have been circulated amongst the affected Kansas agencies, Kansas Highway Patrol and the Kansas Corporation Commission, and appropriate representatives of such agencies have been advised and do not object to the parties entering into this Reciprocity Agreement is in the best interests of their respective states. Each State shall distribute this agreement to any other state agency or political subdivision within the respective States necessary to carry out the letter and intent of this Reciprocity Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parti Agreement on the date last written belo	es have entered into this Reciprocity w.				
Executed by the ODPS this day of	January, 20/1.				
Executed by the KS DMV this 3 day of January, 2011.					
KANSAS DEPT. OF REVENUE DIVISION OF VEHICLES	OKLAHOMA DEPARTMENT OF PUBLIC SAFETY				
By Munen Cevertit	By fun 6. Warx				
Title: Director of Vehicles	Title: Commissioner of Public Safety				
ATTEST:	ATTEST:				
Management of the state of the	Sangaran and Sangaran described in the control of t				
Secretary to the KS Director	Title:				
Approved as to Form:	Approved as to Form:				
KS DMV Counsel	ODPS Counsel				
Acknowledged and approved by:					
KANSAS HIGHWAY PATROL	KANSAS CORPORATION COMMISSION				
Byllinder	By Justin Elleffel				
ฟิล์jor Alan Stoecklein Acting Superintendent	Executive Director				
Approved as to Form: Win E Janah	Approved as to Form:				
Counsel	Gounsél /				