AN ACT

ENTITLED, An Act to authorize the transfer of a motor vehicle title to satisfy an unpaid motor vehicle repair bill under certain conditions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 44-11-1 be amended to read as follows:

44-11-1. If a person, at the request or consent of the owner or person lawfully in possession, furnishes any services, skill, labor, materials, parts, accessories, supplies, or facilities for the alteration, repair, replacement of parts, storage, keeping, maintenance, or preservation of any personal property, such person shall have a lien thereon, dependent on possession, or notice as provided by this chapter on the property to the extent of a reasonable charge. However, if there is an agreed price, the lien is to the extent of such agreed price.

Personal property left for repair at a place of business in this state shall be considered abandoned and may be sold if the property is unclaimed by its owner for a period of ninety days after written notice of the intent to sell the property is given to the owner at the owner's last known address by certified mail. The sale is subject to liens, mortgages, and other creditors' interest properly filed or perfected before the date that the personal property came into the possession of the place of business. The abandoned personal property shall be sold under the provisions of chapter 21-54. This section does not apply to any motor vehicle as defined by § 32-3-1.

Section 2. That chapter 32-3 be amended by adding thereto a NEW SECTION to read as follows:

For purposes of this chapter, the department shall provide a person that has possession of a vehicle as the result of an unpaid repair bill with the last known name and address of the record holder of title and any readily identifiable lien holders free of charge.

Section 3. That chapter 32-3 be amended by adding thereto a NEW SECTION to read as follows:

A person may apply for a title on any motor vehicle that is left unclaimed, as the result of an

unpaid repair bill, by its owner or person lawfully in possession of, on private property for a period of thirty days after written notice of intent to apply for a title is given to the owner at the owner's last known address and to any readily identifiable insurer or lien holder by certified mail. The notice shall set forth the location where the motor vehicle is being kept, the circumstances surrounding acquisition of the vehicle, the year, make, model, and serial number of the motor vehicle, and shall inform the owner, insurer, and any lien holder of the right to reclaim the vehicle as provided by section 4 of this Act. The notice shall be on a form provided by the department.

If it is impossible to determine with reasonable certainty the identity and address of the registered owner, insurer, and any lien holder, a notice shall be published once in a newspaper of general circulation in the area where the motor vehicle was left for repair. Published notices may be grouped together for convenience and economy.

Section 4. That chapter 32-3 be amended by adding thereto a NEW SECTION to read as follows:

Title to any motor vehicle shall vest with the person to whom the unpaid repair bill is payable and who has complied with the provisions of this chapter in notifying the owner and all insurers and lien holders of their rights to reclaim the motor vehicle after a period of thirty days from the date to which notice was sent to the owner and all insurers and lien holders. The owner, insurer, or the lienholder may reclaim the motor vehicle. The owner, insurer, or lien holder shall notify the department and the repair facility within thirty days of receipt of the notice of their intent to reclaim the motor vehicle. If the owner, insurer, or lien holder fails to claim and remove the motor vehicle within thirty days after mailing of the notice of intent to reclaim the vehicle, title to the motor vehicle is irrevocably vested in the person to whom the repair bill is payable and who has complied with the provisions of this chapter.

The vehicle shall be sold at public auction pursuant to §§ 21-54-5, 21-54-7, and 21-54-10 and any excess moneys above settlement of the debt shall be forwarded to the prior owner, insurer, and

any other party with a legal interest in such vehicle. If the owner, insurer, and any lien holder are unidentifiable or not able to be contacted, the excess moneys shall be sent to the state treasurer and treated as unclaimed property pursuant to chapter 43-41B.

An Act to authorize the transfer of a motor vehicle title to satisfy an unpaid motor vehicle repair bill under certain conditions.

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I certify that the attached Act originated in the

SENATE as Bill No. 119

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Secretary of the Senate

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President of the Senate

Attest:

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Secretary of the Senate

_____
Speaker of the House

Attest:

_____
Chief Clerk

Senate Bill No. 119
File No. ____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20___

_____
Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____ , 20___
at _____ o'clock __ M.

_____
Secretary of State

By _____
Asst. Secretary of State