

AN ACT

ENTITLED, An Act to allow certain repossessed motor vehicles to be sold without title in the name of the entity selling these motor vehicles.

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

Section 1. That § 32-6B-36 be amended to read as follows:

32-6B-36. Any auction agency operating under the provisions of this chapter may accept for sale at its option vehicles which are owned by vehicle dealers regularly licensed in either this or some other state, or by the following entities if the vehicle is owned and titled by the entity and acquired incident to its regular business:

- (1) Any regulated lender as defined in § 54-3-14 or any financing institution licensed pursuant to chapter 54-4;
- (2) Any financial institution chartered or licensed in any other jurisdiction. However, such entity is not required to have a title in its name if the entity provides a title in the name of the customer, a damage disclosure statement as required pursuant to § 32-3-51.8, and documentation as required by the department to substantiate a repossession transaction;
or
- (3) Any insurance company authorized to do business in either this state or some other state.

An auction agency may also accept from any manufacturer any vehicle that is owned by the manufacturer and that has a manufacturer's certificate of origin or a valid title. Any vehicle with a manufacturer's certificate of origin sold for a manufacturer may only be offered to the manufacturer's franchised dealers with the same line vehicle make.

Any vehicle dealer, regularly licensed by this or some other state, may purchase any vehicle from an auction agency, except as otherwise prohibited by this section. Any auction agency that accepts for sale any vehicle not authorized by this section is guilty of a Class 1 misdemeanor.

An Act to allow certain repossessed motor vehicles to be sold without title in the name of the entity selling these motor vehicles.

I certify that the attached Act
originated in the

HOUSE as Bill No. 1163

Chief Clerk

Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1163
File No. _____
Chapter No. _____

Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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

Governor

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