



2021 South Dakota Legislature  
**Senate Bill 59**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise the allocation of fees collected by the obligation recovery center and to revise certain venue, jurisdiction, and collection efforts regarding the co-owners of titled motor vehicles, motorcycles, and boats.**

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

**Section 1.** That § 1-55-4 be AMENDED.

**1-55-4. Cost recovery fees.**

For any bad debt referred to the center for collection after July 1, 2015, the center shall collect a cost recovery fee in addition to the debt referred to the center for collection. The cost recovery fee is calculated by multiplying the principal amount of the debt referred to the center by twenty percent. All debt collection methods available to collect any bad debt referred to the center may be used by the center to collect the cost recovery fee. The cost recovery fee shall be deposited into a fund within the Bureau of Administration and the operations of the center shall be subject to the annual budgeting process specified in chapter 4-7.

**Section 2.** That § 1-55-8 be AMENDED.

**1-55-8. Confidentiality of records--Exceptions.**

All data, records, and files utilized for debt collection as provided for in this chapter shall be confidential and privileged, and no person may divulge or disclose any information obtained from such records and files except in the administration and enforcement of this chapter, or as otherwise required by law. Nothing in this section prohibits the disclosure of debt information, as it relates to the administration and enforcement of this chapter, to a co-owner of a titled motor vehicle, motorcycle, or boat that is subject to subdivision 1-55-11(1).

**Section 3.** That § 1-55-11 be AMENDED.

**1-55-11. Licenses, registrations, and permits withheld from person owing debt referred to center.**

No person that owes a debt that is referred to the center may renew, obtain, or maintain:

- (1) Any registration for any motor vehicle, motorcycle, or boat, in which the person's name appears on the title of the motor vehicle, motorcycle, or boat;
- (2) Any driver license as defined by subdivision 32-12-1(1); or
- (3) Any hunting license, fishing license, state park permit, or camping permit;

unless the debt and cost recovery fee is either paid in full or the debtor has entered into a payment plan with the center and payment pursuant to the plan is current.

The Department of Revenue shall notify a person who is a co-owner of a motor vehicle, motorcycle, or boat described in subdivision (1), that the person's registration has been affected by the debt referred to the center. The notification shall be by United States mail.

**Section 4.** That § 1-55-12 be AMENDED.

**1-55-12. Hearing on debt determination dispute--Written request--  
Temporary license, registration, or permit.**

No agency, board, or entity of the State of South Dakota may issue, renew, or allow an individual to maintain any motor vehicle, motorcycle, or boat registration, driver license, hunting license, fishing license, state park permit, or camping permit, after receiving notice from the center that the applicant, registrant, or licensee has a debt that is being collected by the center, unless the applicant, registrant, or licensee has paid the debt and cost recovery fee in full or the debtor has entered into a payment plan with the center and payment pursuant to the plan is current.

An applicant, registrant, or licensee who disputes a determination by the center that the applicant, registrant, or licensee has a debt that has been referred to the center for collection may, in writing, request an administrative hearing before the Office of Hearing Examiners, conducted pursuant to chapter 1-26. A co-owner of a titled motor vehicle, motorcycle, or boat that is described in subdivision 1-55-11(1) may request an administrative hearing before the Office of Hearing Examiners, conducted pursuant to chapter 1-26, on the sole issue of whether the co-owner or the debtor is a titled owner of the motor vehicle, motorcycle, or boat.

A written request for an administrative hearing must be received by the center within fourteen days from the date notice is sent pursuant to § 1-55-11. No court shall

have jurisdiction if a written request for an administrative hearing is not received by the center within the time prescribed. For purposes of this section, if a written request for an administrative hearing is sent by United States mail, the date of the postmark placed by the United States postal service shall be considered the date received by the center.

Upon recommendation by the center, the agency or entity may issue a temporary license, registration, certification, or permit to the applicant, registrant, or licensee pending final resolution of the administrative hearing.

**Section 5.** That § 15-39-69 be AMENDED.

**15-39-69. Venue.**

The venue is limited to the county of the residence of the defendant, if the defendant is a natural person, or the county in which the cause of action arose. If the defendant is a corporation, limited liability company, or a partnership, the proceedings shall be commenced in any county in which the defendant has its place of business. No change of venue may be recognized except by stipulations of the parties, or by order of the court on a showing of good cause by the defendant. Nothing in this section waives the common law doctrine of sovereign immunity or acts as a consent to suit by the State of South Dakota, its agencies, or its employees acting within the scope of their employment.

An Act to revise the allocation of fees collected by the obligation recovery center and to revise certain venue, jurisdiction, and collection efforts regarding the co-owners of titled motor vehicles, motorcycles, and boats.

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I certify that the attached Act originated in the:

Received at this Executive Office this \_\_\_\_ day of \_\_\_\_\_,

Senate as Bill No. 59

2021 at \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of the Senate

By \_\_\_\_\_  
for the Governor

\_\_\_\_\_  
President of the Senate

The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2021

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

\_\_\_\_\_  
Speaker of the House

Attest:

Filed \_\_\_\_\_, 2021  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Secretary of State

Senate Bill No. 59  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

By \_\_\_\_\_  
Asst. Secretary of State