



## 2026 South Dakota Legislature

# Senate Bill 23

*Introduced by: The Chair of the Committee on Transportation at the request of the Department of Revenue*

1 **An Act to include certain types of vehicles in the unpaid repair bill titling process.**

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

3 **Section 1. That § 32-3-67 be AMENDED:**

4 **32-3-67.** ~~For purposes of this chapter, the~~ The department shall provide a person  
5 that has possession of a motor vehicle, boat as defined in § 32-3A-2, moped, motorcycle,  
6 off-road vehicle as defined in § 32-20-1, snowmobile as defined in § 32-20A-1, or trailer,  
7 as the result of an unpaid repair bill, with the last known name and address of the record  
8 holder of title and any readily identifiable lien holders free of charge.

9 **Section 2. That § 32-3-68 be AMENDED:**

10 **32-3-68.** A person with possession of a vehicle described in § 32-3-67 may apply  
11 for a title on any motor vehicle, boat as defined in § 32-3A-2, moped, motorcycle, off-  
12 road vehicle as defined in § 32-20-1, snowmobile as defined in § 32-20A-1, or trailer, that  
13 is left unclaimed, as the result of an unpaid repair bill, by its owner or person lawfully in  
14 possession ~~of thereof~~, on private property for a period of thirty days after written notice  
15 of intent to apply for a title is ~~given~~ sent to the owner at the owner's last known address  
16 and to any readily identifiable insurer or lien holder by certified mail. The notice ~~shall~~ must  
17 set forth the location where the ~~motor~~ vehicle is being kept, the circumstances surrounding  
18 acquisition of the vehicle, and the year, make, model, and serial number or hull  
19 identification number of the ~~motor~~ vehicle, ~~and shall~~. The notice must inform the owner,  
20 insurer, and any lien holder of the right to reclaim the vehicle as provided by § 32-3-69.  
21 The notice ~~shall~~ must be on a form provided by the department.

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

1 **Section 3. That § 32-3-69 be AMENDED:**

2 **32-3-69.** ~~Title~~ Except as provided below, title to any motor vehicle shall vest, boat  
3 as defined in § 32-3A-2, moped, motorcycle, off-road vehicle as defined in § 32-20-1,  
4 snowmobile as defined in § 32-20A-1, or trailer, vests with the person to whom the unpaid  
5 repair bill is payable and who has complied with the provisions of this chapter in notifying  
6 the owner and all insurers and lien holders of their rights to reclaim the ~~motor~~ vehicle  
7 after a period of thirty days from the date ~~to~~ on which notice was sent to the owner and  
8 all insurers and lien holders. The owner, insurer, or the lienholder may reclaim the ~~motor~~  
9 vehicle by paying any reasonable cost of repair. A lienholder paying the cost of repair may  
10 add the cost of repair to the outstanding loan secured by the vehicle. The owner, insurer,  
11 or lien holder shall notify the department and the repair facility within thirty days of receipt  
12 of the notice of their intent to reclaim the ~~motor~~ vehicle. If the owner, insurer, or lien  
13 holder fails to claim and remove the ~~motor~~ vehicle within thirty days after mailing of the  
14 notice of intent to reclaim the vehicle, title to the ~~motor~~ vehicle is irrevocably vested in  
15 the person to whom the repair bill is payable and who has complied with the provisions of  
16 this chapter.

17 The vehicle ~~shall~~ must be sold at public auction pursuant to §§ 21-54-5, 21-54-7,  
18 and 21-54-10, and any excess moneys above settlement of the debt ~~shall~~ must be  
19 forwarded to the prior owner, insurer, and any other party with a legal interest in ~~such~~  
20 the vehicle. If the owner, insurer, and any lien holder are unidentifiable or not able to be  
21 contacted, the excess moneys ~~shall~~ must be sent to the state treasurer and treated as  
22 unclaimed property pursuant to chapter 43-41B.