



## 2026 South Dakota Legislature

# Senate Bill 227

Introduced by: **Senator Kolbeck (Steve)**

1 **An Act to establish a minimum damage threshold for a motor vehicle total loss**  
2 **declaration.**

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

4 **Section 1. That a NEW SECTION be added to chapter 58-12:**

5 An insurer may not declare that a motor vehicle is a total loss because of damage  
6 caused by a collision, fire, vandalism, weather, or other peril, unless the cost of repairing  
7 the vehicle meets or exceeds seventy-five percent of the actual cash value of the vehicle  
8 before it was damaged.

9 Nothing in this section prohibits an insurer from declaring, at the request of and  
10 with the express written authorization of the vehicle owner, that the vehicle is a total loss,  
11 even if the cost to repair the vehicle is less than seventy-five percent of the actual cash  
12 value of the vehicle immediately preceding the time it was damaged.

13 For purposes of this section, "actual cash value" means the current market value  
14 of the motor vehicle, within a radius of two-hundred miles from the primary address of  
15 the vehicle owner, taking into consideration:

- 16 (1) The year, make, and model of the vehicle;  
17 (2) Any accessories and options;  
18 (3) Any natural deterioration from normal use;  
19 (4) The odometer reading; and  
20 (5) The accident history of the vehicle.