

State of South Dakota

NINETY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2018

400Z0385

SENATE BILL NO. 42

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

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the issuance of a
2 motor vehicle title.

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

4 Section 1. That § 32-3-28 be amended to read:

5 32-3-28. The secretary shall issue the certificate of title ~~in triplicate. One copy shall be~~
6 ~~retained by the secretary and the other copy shall be transmitted either by mail or electronically~~
7 ~~by computer, postage prepaid, on that day to the county treasurer of the county in which the~~
8 ~~motor vehicle, trailer, or semitrailer is to be kept. The~~ in paper form or electronic form. If there
9 is no lien noted on the certificate of title or a paper copy is requested pursuant to § 32-3-70, the
10 secretary shall sign the original certificate of title and, deliver the paper copy certificate to the
11 owner named on it the title or as otherwise directed by the owner postage prepaid, and maintain
12 an electronic copy for record keeping. If there are one or more liens on the motor vehicle, trailer,
13 or semitrailer, the secretary shall properly note ~~the same~~ each lien in the order of ~~their~~ priority
14 on the certificate of title which shall be ~~delivered or mailed to the owner named on it or as~~
15 ~~otherwise directed by the owner. Secured parties~~ maintained electronically until each lien is



1 ~~released. A secured party, if any, shall be mailed or delivered conspicuous notification of their~~
2 ~~may obtain electronic confirmation of the party's~~ security interest as filed and noted on the
3 certificate of title.

4 Section 2. That § 32-3-70 be amended to read:

5 32-3-70. Notwithstanding any other provision of this title, the department may provide for
6 an electronic lien filing system. If a lien has been noted electronically in the electronic lien filing
7 system, no paper title may be issued to the owner of record or the lienholder. A paper title shall
8 be issued under the following circumstances:

9 (1) The lien has been satisfied and the owner requests a title; ~~or~~

10 (2) The owner is relocating to another state and the lienholder authorizes the issuance of
11 a title with the lien noted;

12 (3) The ownership listed on the title is being changed and the lienholder authorizes the
13 issuance of a title with the lien noted; or

14 (4) The titled vehicle has been determined to be a salvage vehicle pursuant to § 32-3-
15 51.19.

16 A lien shall be noted or cancelled electronically if an electronic certificate of title exists and
17 the lienholder is participating in the electronic lien filing system. A lien noted electronically is
18 considered perfected as if a paper title ~~were~~ was issued and a lien had been noted on it ~~the title~~
19 pursuant to § 32-3-29 or 32-3-41. A lienholder is liable for noting or canceling a lien in error.