

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

545E0492

HOUSE BILL NO. 1236

Introduced by: Representatives Konold, Abdallah, Broderick, Brown (Richard), Flowers,
and McCaulley and Senators Munson, Albers, Diedrich (Elmer),
Hutmacher, Staggers, Sutton (Dan), and Vitter

1 FOR AN ACT ENTITLED, An Act to authorize auction agencies to accept for sale vehicles
2 owned by vehicle manufacturers under certain conditions.

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

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

5 32-6B-36. Any auction agency operating under the provisions of this chapter may accept for
6 sale at its option vehicles which are owned by vehicle dealers regularly licensed in either this or
7 some other state, or by the following entities if the vehicle is owned and titled by the entity and
8 acquired incident to its regular business:

9 (1) Any regulated lender as defined in § 54-3-14 ~~or any financing institution licensed~~
10 ~~pursuant to chapter 54-7, any creditor subject to chapter 54-3A, or any motor vehicle~~
11 lessor;

12 (2) Any financial institution or creditor chartered or licensed in any other jurisdiction; or

13 (3) Any insurance company authorized to do business in either this state or some other
14 state.

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

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

8 Section 2. That subdivision (15) of § 32-6B-5 be amended to read as follows:

9 32-6B-5. The following persons are exempt from the provisions of this chapter:

10 (15) Any regulated lenders as that term is defined in § 54-3-14, any insurance company
11 authorized to do business in this state, or any ~~financing institution as defined in and~~
12 ~~licensed pursuant to chapter 54-7~~ creditor subject to chapter 54-3A that acquires
13 vehicles as an incident to its regular business;

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