

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

545E0492

HOUSE TRANSPORTATION COMMITTEE ENGROSSED NO. **HB 1236** - 01/31/2001

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~~ 54-4;

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

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

14 An auction agency may also accept from any manufacturer any vehicle that is owned by the

1 manufacturer and that has a manufacturer's certificate of origin or a valid title. Any vehicle with
2 a manufacturer's certificate of origin sold for a manufacturer may only be offered to the
3 manufacturer's franchised dealers with the same line vehicle make.

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

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

8 32-6B-5. The following persons are exempt from the provisions of this chapter:

- 9 (15) Any regulated lenders as that term is defined in § 54-3-14, any insurance company
10 authorized to do business in this state, or any financing institution as defined in and
11 licensed pursuant to chapter ~~54-7~~ 54-4 that acquires vehicles as an incident to its
12 regular business;

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