

AN ACT

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

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

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

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

- (1) Any regulated lender as defined in § 54-3-14 or any financing institution licensed pursuant to chapter 54-4;
- (2) Any financial institution chartered or licensed in any other jurisdiction; or
- (3) Any insurance company authorized to do business in either this state or some other state.

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

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

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

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

- (15) Any regulated lenders as that term is defined in § 54-3-14, any insurance company authorized to do business in this state, or any financing institution as defined in and

licensed pursuant to chapter 54-4 that acquires vehicles as an incident to its regular business;

An Act to authorize auction agencies to accept for sale vehicles owned by vehicle manufacturers under certain conditions.

=====

I certify that the attached Act originated in the

HOUSE as Bill No. 1236

Chief Clerk

=====

Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1236
File No. _____
Chapter No. _____

=====

Received at this Executive Office this ____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

=====

The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

=====

STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State