

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

480S0294

HOUSE BILL NO. 1049

Introduced by: Representatives Olson (Betty), Brunner, Kirkeby, Nelson (Stace), Russell, Schrempp, Steele, and Verchio and Senators Maher, Bradford, Lederman, Rhoden, and Sutton

1 FOR AN ACT ENTITLED, An Act to require that funds from the sale of certain estrays and
2 livestock on "hold" status be deposited in the permanent school fund.

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

4 Section 1. That § 40-21-12 be amended to read as follows:

5 40-21-12. If the seller described in § 40-21-10 or 40-21-11 fails to establish ownership of
6 any livestock, the livestock shall be held or sold. If the livestock are held, disposition by the
7 board shall be made. If sold, the selling agent is financially responsible for the proceeds of the
8 sale and shall hold the proceeds until the board orders the money, along with account of sale,
9 released to the livestock owner or to the ~~South Dakota livestock ownership inspection~~
10 permanent school fund. Such financial responsibility may be enforced by civil suit brought by
11 the board. If the inspector finds livestock carrying a recorded brand which is not the property
12 of the consignor and is not accompanied by a proper bill of sale, affidavit of ownership, or
13 livestock market clearance, the inspector shall designate the livestock as, Hold. The inspector
14 may sell or hold the livestock; and if sold, the selling agency shall hold the proceeds from the



1 sale for sixty days or until the consignor establishes evidence of ownership to the inspector,
2 whichever comes first. All livestock holds after sixty days shall be forwarded by the inspector
3 to the board for review and final disposition, which may include clarification, settlement, or
4 payment related to proper ownership. If a hold has been placed on the proceeds, it is a Class 1
5 misdemeanor for the selling agent or selling agency to disburse the proceeds to the seller or
6 consignor before the board has cleared the hold for release.

7 Section 2. That § 40-21-17 be amended to read as follows:

8 40-21-17. If the ownership of any livestock sold pursuant to § 40-21-12 is not established
9 within a one-year period, the net sale proceeds ~~escheat to the board, and the board shall deposit~~
10 ~~the proceeds in the South Dakota livestock ownership inspection and theft prevention fund,~~
11 provided for in § 40-21-9 shall be deposited in the permanent school fund established pursuant
12 to S.D. Const., Art. VIII, § 2.

13 Section 3. That § 40-29-25 be amended to read as follows:

14 40-29-25. If the animal is determined to be an estray by the sheriff or the board, it shall be
15 promptly sold through the most convenient livestock auction market. The net proceeds of ~~such~~
16 the sale shall be paid to the board to be placed into the brand inspection and theft prevention
17 fund an interest-bearing account. If ownership of the estray is not determined within one year
18 from the date the estray was found the net proceeds of the sale of the estray shall ~~escheat to the~~
19 ~~South Dakota livestock ownership inspection and theft prevention fund~~ be deposited in the
20 permanent school fund established pursuant to S.D. Const., Art. VIII, § 2.