

AN ACT

ENTITLED, An Act to revise certain provisions regarding the titling and licensing of boats and motor vehicles and to establish certain penalties for violation of those provisions.

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

Section 1. That § 32-3A-23 be amended to read as follows:

32-3A-23. Any boat dealer or motor vehicle dealer licensed pursuant to chapter 32-6B transferring a large boat requiring titling under §§ 32-3A-20 to 32-3A-23, inclusive, and §§ 32-3A-24 to 32-3A-32, inclusive, shall assign the title to the new owner within thirty days of the date of sale, or if a new large boat, the boat dealer shall assign the manufacturer's certificate of origin to the new owner within thirty days of the date of sale. Within thirty days the applicant shall forward all title fees and applications to the county treasurer. A violation of this section is a Class 2 misdemeanor. Any subsequent violation that occurs within two years from any violation of this section is a Class 1 misdemeanor.

Section 2. That § 32-3A-24 be amended to read as follows:

32-3A-24. No person may sell, assign, or transfer a large boat titled by the state without delivering to the purchaser or transferee a certificate of title with an assignment on it showing title in the purchaser or transferee. The certificate of title with an assignment shall be transferred to the purchaser or transferee within thirty days from the date of the sale, assignment, or transfer. No person may purchase or otherwise acquire a large boat required to be titled by the state without obtaining a certificate of title for it in that person's name. A violation of this section is a Class 2 misdemeanor. Any subsequent violation that occurs within two years from any violation of this section is a Class 1 misdemeanor.

Section 3. That § 32-3A-52 be amended to read as follows:

32-3A-52. Exempt from the provisions of § 32-3A-50 are:

- (1) Any large boat which is the property of the governmental units which are exempted from motor vehicle registration fees by §§ 32-5-42 and 32-5-42.1;
- (2) Any large boat acquired by inheritance or bequest;
- (3) Any large boat previously titled or licensed jointly in the names of two or more persons and subsequently transferred without consideration to one or more of such persons;
- (4) Any large boat transferred without consideration between spouses, between a parent and child, and between siblings;
- (5) Any large boat transferred pursuant to any mergers or consolidations of corporations or plans of reorganization by which substantially all of the assets of a corporation are transferred if the large boat was previously titled, licensed, and registered in this state;
- (6) Any large boat transferred by a subsidiary corporation to its parent corporation for no or nominal consideration or in sole consideration of the cancellation or surrender of the subsidiary's stock if the large boat was previously titled, licensed, and registered in this state;
- (7) Any large boat transferred between an individual and a corporation if the individual and the owner of the majority of the capital stock of the corporation are one and the same and if the large boat was previously titled and registered in this state;
- (8) Any large boat transferred between a corporation and its stockholders or creditors if to effectuate a dissolution of the corporation it is necessary to transfer the title from the corporate entity to the stockholders or creditors and if the large boat was previously titled and registered in this state;
- (9) Any large boat transferred between an individual and limited or general partnership if the individual and the owner of the majority interest in the partnership are one and the same person and if the large boat was previously titled and registered in this state;

- (10) Any large boat transferred to effect a sale of all or substantially all of the assets of the business entity if the large boat was previously titled and registered in this state;
- (11) Any large boat acquired by a secured party or lien holder in satisfaction of a debt;
- (12) Any large boat sold or transferred which is eleven or more years old and which is sold or transferred for two thousand two hundred dollars or less before trade-in;
- (13) Any damaged large boat transferred to an insurance company in the settlement of an insurance claim;
- (14) Any large boat owned by a former resident of this state who returns to the state and who had previously paid excise tax to this state on the large boat as evidenced within the department's records or by submission of other acceptable proof of payment of such tax;
- (15) Between corporations, both subsidiary and nonsubsidiary, if the individuals who hold a majority of stock in the first corporation also hold a majority of stock in the second corporation; but these individuals need not hold the same ratio of stock in both corporations provided the large boat was previously titled and registered in this state; and
- (16) Any large boat transferred by a trustor to his trustee or from a trustee to a beneficiary of a trust.

Section 4. That chapter 32-3 be amended by adding thereto a NEW SECTION to read as follows:

Any dealer, upon the sale and delivery of any new motor vehicle, shall, within thirty days of the sale and delivery of the new motor vehicle, deliver to the purchaser the manufacturer's statement of origin or manufacturer's certificate of origin for the motor vehicle. However, notwithstanding any other provision of law, if the purchaser defaults on the terms of the sale within the thirty-day period, the seller does not have to deliver the manufacturer's statement of origin or manufacturer's certificate of origin to the purchaser. The seller shall notify the department in writing of the seller's refusal to deliver the manufacturer's statement of origin or manufacturer's certificate of origin to the purchaser

within fourteen days of the purchaser's default on the terms of the sale. A violation of this section is a Class 2 misdemeanor. Any subsequent violation that occurs within two years from any violation of this section is a Class 1 misdemeanor.

An Act to revise certain provisions regarding the titling and licensing of boats and motor vehicles and to establish certain penalties for violation of those provisions.

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I certify that the attached Act originated in the

SENATE as Bill No. 60

\_\_\_\_\_  
Secretary of the Senate

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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 60  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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Received at this Executive Office this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

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The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_ , A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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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