

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

462B0704

HOUSE TRANSPORTATION COMMITTEE

ENGROSSED NO. **HB1254** - 1/29/98

Introduced by: Representative Richter and Senator Paisley

1 FOR AN ACT ENTITLED, An Act to revise certain provisions related to the sale of titled
2 vehicles.

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

4 Section 1. That § 32-6B-5 be amended to read as follows:

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

- 6 (1) Any employee of any person licensed as a vehicle dealer if engaged in the specific
7 performance of the employee's duties;
- 8 (2) Any financial institution chartered or licensed in any other jurisdiction that acquires
9 vehicles as an incident to its regular business and sells such vehicles to dealers licensed
10 under this chapter;
- 11 (3) Any nonprofit automobile club if selling automobiles twenty years old or older under
12 the provisions of chapter 32-3;
- 13 (4) Any person acting as an auctioneer if auctioning South Dakota titled vehicles for a
14 licensed dealer or a person who is exempt from the provisions of this chapter;
- 15 (5) Any person engaged in the business of manufacturing or converting new vehicles if

1 selling such vehicles to a licensed dealer holding a franchise from the original
2 manufacturer of the vehicle;

3 (6) Any person engaged in the business of manufacturing or customizing motorcycles
4 may display but may not sell any motorcycles at an event, if the event lasts three or
5 more days and if the person registers with and purchases a permit from the
6 Department of Revenue at least five days before the event. The person shall pay a fee
7 of one hundred dollars for a ten-day temporary permit;

8 (7) Any person engaged in the business of manufacturing trailers may display but may not
9 sell any trailers at an event, if the event lasts three or more days and if the person
10 registers with and purchases a permit from the Department of Revenue at least five
11 days before the event. The person shall pay a fee of fifty dollars for a ten-day
12 temporary permit;

13 (8) Any person may sell motorcycles at an event, if the event lasts three or more days and
14 if the person registers and purchases a permit from the Department of Revenue at
15 least five days before the event. Before issuance of a permit, the applicant must
16 provide proof they are a licensed dealer in their own state and have no outstanding
17 dealer violations. The permit will only be issued if the motorcycles being sold are not
18 franchised in this state. The person shall pay a fee of two hundred dollars for a ten-day
19 temporary permit;

20 (9) Any person may sell trailers at an event, if the event lasts three or more days and if the
21 person registers and purchases a permit from the Department of Revenue at least five
22 days before the event. Before issuance of a permit, the applicant must provide proof
23 they are a licensed dealer in their own state and have no outstanding dealer violations.
24 The permit will only be issued if the trailers being sold are not franchised in this state.
25 The person shall pay a fee of one hundred and fifty dollars for a ten-day temporary

1 permit. However, regardless of whether or not there is a franchise in this state, any
2 person may display a trailer at such an event;

3 (10) Any person not engaged in the sale of vehicles as a business and is disposing of
4 vehicles used solely for personal use if the vehicles were acquired and used in good
5 faith and not for the purpose of avoiding the provisions of this chapter;

6 (11) Any person not engaged in the sale of vehicles as a business who operates fleets of
7 vehicles and is disposing of vehicles used in the person's business if the same were
8 acquired and used in good faith and not for the purpose of avoiding the provisions of
9 this chapter;

10 (12) Any person who sells less than five vehicles in a twelve-month period, unless the
11 person is licensed as a dealer in another state or holds himself or herself out as being
12 in the business of selling vehicles. However, if the vehicles are travel trailers, any
13 person who sells less than three travel trailers in a twelve-month period;

14 (13) Any public officer while performing the officer's official duties;

15 (14) Any receiver, trustee, administrator, executor, guardian, or other person appointed
16 by or acting under the judgment or order of any court;

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

21 (16) Any towing agency that acquires and sells a vehicle which has been towed at the
22 request of a private landowner under the provision of chapter 32-36 or at the request
23 of a law enforcement officer, if no vehicle is sold for an amount over two hundred
24 dollars; and

25 (17) Any vehicle rental and leasing company that sells its used vehicles to dealers licensed

1 under this chapter.

1 **BILL HISTORY**

2 1/22/98 First read in House and referred to Transportation. H.J. 181

3 1/28/98 Scheduled for Committee hearing on this date.

4 1/28/98 Transportation Do Pass Amended, Passed, AYES 11, NAYS 0. H.J. 273