

AN ACT

ENTITLED, An Act to revise certain provisions regarding the disclosure of damage on motor vehicles.

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

Section 1. That § 32-3-51.7 be amended to read as follows:

32-3-51.7. Each certificate of title issued by the department shall contain the following phrase: South Dakota state law requires the disclosure of damage on motor vehicles. This information is available upon written request from the Department of Revenue, Division of Motor Vehicles. Each certificate of title shall also contain on its front a statement as to whether previous damage disclosure statements indicate the motor vehicle had been damaged at one time in excess of three thousand dollars as provided by § 32-3-51.8.

Section 2. That § 32-3-51.8 be amended to read as follows:

32-3-51.8. Upon the sale, transfer, or trade-in of a motor vehicle, or if licensing a motor vehicle in South Dakota which is titled in another state or jurisdiction, the seller, transferor, trader, or person wishing to license in South Dakota the motor vehicle which is titled in another state or jurisdiction shall submit an accurately completed damage disclosure statement when applying for a certificate of title pursuant to § 32-3-18. The completed damage disclosure statement may be on the back of the certificate of title or on a separate document that has been approved for use by the department. Except as otherwise provided by this section, no certificate of title may be issued by the department unless the damage disclosure statement accompanies the application. It is a Class 1 misdemeanor to intentionally falsify any information on the damage disclosure statement. No person or dealer is liable to a subsequent owner of a vehicle because a prior owner of the vehicle failed to disclose that the vehicle had previously been damaged and repaired. This section does not apply to motor vehicles more than nine model years old or with a gross vehicle weight rating of more than sixteen thousand pounds and does not apply if a rebuilt title or junking certificate is sought.

This section does apply to all other motor vehicles, but only damage in excess of three thousand dollars shall be disclosed in the statement. If the motor vehicle has incurred damages more than once, only those damages which occurred at one time would be considered in determining whether the damages exceeded three thousand dollars.

Section 3. That § 32-3-51.14 be amended to read as follows:

32-3-51.14. The department shall prescribe, pursuant to chapter 1-26, the format for the damage disclosure statement provided by § 32-3-51.8. An area for a damage disclosure statement shall appear on the back of each certificate of title issued by the department. The department may also approve separate documents on which a damage disclosure statement may be submitted. The damage disclosure statement form shall indicate whether the motor vehicle has been damaged such that it cost more than three thousand dollars to repair to its predamaged condition and any other damage information the department deems appropriate. If a separate document from the certificate of title contains the damage disclosure statement, the document shall also require the following information: year, make, model, and vehicle identification number of the motor vehicle.

Section 4. That § 32-3-51.15 be amended to read as follows:

32-3-51.15. The dollar amount of damage to a motor vehicle required to be disclosed pursuant to § 32-3-51.8 shall include the costs necessary to return the damaged motor vehicle to its predamaged condition. Such costs include parts, labor, paint, and frame work done on the damaged motor vehicle. If the retail value of labor has not been determined by a purchase in the ordinary course of business (for example, the labor is performed by the owner of the vehicle), the retail value of the labor is presumed to be the product of the repair time, as provided in a generally accepted autobody repair flat rate manual, multiplied by thirty-five dollars.

Section 5. That chapter 32-3 be amended by adding thereto a NEW SECTION to read as follows:

Any vehicle that is required to be titled pursuant to this chapter and is sold or offered for sale by a vehicle dealer or a used vehicle dealer as defined in § 32-6B-1 shall display a sticker, decal, or

notice that discloses damage to the vehicle in accordance with the provisions of §§ 32-3-51.7, 32-3-51.8, 32-3-51.14, and 32-3-51.15, as determined by the department in rules promulgated pursuant to chapter 1-26. The rules shall also prescribe the format and construction of the sticker, decal, or notice.

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I certify that the attached Act
originated in the

SENATE as Bill No. 172

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. 172
File No. _____
Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,

19__ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Ass. Secretary of State