

# State of South Dakota

EIGHTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2007

195N0493

## HOUSE BILL NO. 1163

Introduced by: Representatives Wick, Hargens, Krebs, Pederson (Gordon), and Steele and  
Senators Jerstad, Abdallah, and Gray

1 FOR AN ACT ENTITLED, An Act to allow certain repossessed motor vehicles to be sold  
2 without title in the name of the entity selling these motor vehicles.

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

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

5 32-6B-36. Any auction agency operating under the provisions of this chapter may accept for  
6 sale at its option vehicles which are owned by vehicle dealers regularly licensed in either this  
7 or some other state, or by the following entities if the vehicle is owned and titled by the entity  
8 and acquired incident to its regular business:

- 9 (1) Any regulated lender as defined in § 54-3-14 or any financing institution licensed  
10 pursuant to chapter 54-4;
- 11 (2) Any financial institution chartered or licensed in any other jurisdiction. However,  
12 such entity is not required to have a title in its name if the entity provides a title in the  
13 name of the customer, a damage disclosure statement as required pursuant to § 32-3-  
14 51.8, and documentation as required by the department to substantiate a repossession  
15 transaction; or



1       (3) Any insurance company authorized to do business in either this state or some other  
2           state.

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

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