

# State of South Dakota

NINETY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2017

960Y0392

## HOUSE BILL NO. 1066

Introduced by: Representatives Rhoden, Brunner, Lesmeister, Marty, Qualm, and Rasmussen  
and Senators Cammack and Maher

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning exemptions from  
2 the licensing requirements for motor vehicle dealers.

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

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

5 32-6B-5. The following persons are exempt from the licensing requirements 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 the financial institution's regular business and sells the  
10 vehicles to dealers licensed 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 the vehicles to a licensed dealer holding a franchise from the original  
2 manufacturer of the vehicle;
- 3 (6) 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 (7) 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  
9 of this chapter;
- 10 (8) 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 (9) Any public officer while performing the officer's official duties;
- 15 (10) Any receiver, trustee, personal representative, guardian, or other person appointed by  
16 or acting under the judgment or order of any court;
- 17 (11) 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 54-4 that acquires vehicles as an incident to its regular  
20 business;
- 21 (12) 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 one thousand  
24 two hundred dollars;

- 1 (13) Any vehicle rental and leasing company that sells its used vehicles to dealers licensed  
2 under this chapter; ~~and~~
- 3 (14) Any South Dakota nonprofit corporation ~~which~~ that gives a donated motor vehicle  
4 to a needy family or ~~individual~~ person; ~~and~~
- 5 (15) Any franchisor, manufacturer, or dealer who is displaying new vehicles that are not  
6 for sale and are available for display or limited demonstration for fifteen days or less  
7 at a special event that has at least twenty-five thousand visitors participating in the  
8 event.