

# State of South Dakota

NINETY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 2018

822Z0464

## HOUSE COMMERCE AND ENERGY ENGROSSED NO. **HB 1088** - 1/24/2018

Introduced by: Representatives Beal, Ahlers, Barthel, Bartling, Brunner, Chase, Dennert, DiSanto, Glanzer, Gosch, Hawley, Heinemann, Holmes, Johns, Johnson, Kaiser, Latterell, Lust, May, Mills, Otten (Herman), Peterson (Sue), Pischke, Rhoden, Rounds, Rozum, Smith, Steinhauer, and Zikmund and Senators Wiik, Bolin, Cronin, Kolbeck, Nelson, and Otten (Ernie)

1 FOR AN ACT ENTITLED, An Act to revise the consignment sales requirements for dealers of  
2 motorcycles, off-road vehicles, snowmobiles, boats, and boat trailers.

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

4 Section 1. That chapter 32-6B be amended by adding a NEW SECTION to read:

5 In addition to the consignment sales requirements provided in this chapter, any dealer or  
6 public auction may sell, or offer to sell, used motorcycles and used off-road vehicles as defined  
7 in § 32-3-1 on consignment if the dealer has in possession a South Dakota title for the vehicle  
8 or a state title for the vehicle from a bordering state. If the motorcycle or off-road vehicle  
9 owner's state does not issue titles for the consigned motorcycle or off-road vehicle, the owner  
10 must provide a current state registration and accompanying affidavit stating that their home state  
11 does not issue titles for the vehicle being consigned. A bill of sale, the registration, and affidavit  
12 of statement must be in the possession of the consignment selling dealer or public auction along  
13 with the proper consignment contract. The department shall prescribe the form of the contract.



1 Section 2. That § 32-7B-26 be amended to read:

2 32-7B-26. Any boat dealer or public auction may sell, or offer to sell, new, or used boats on  
3 consignment. For the purposes of this chapter, consignment means the delivery of a boat by the  
4 owner into the possession of another without transfer of title for the purpose of sale or where  
5 there is any condition that the purchaser does not have an absolute obligation to pay for the boat  
6 or has a right to return the boat to the seller. Any boat dealer or public auction who sells, or  
7 offers to sell, South Dakota titled boats or used boats titled in a bordering state including any  
8 accompanying titled boat trailers on consignment shall enter into a contract with the consignor.  
9 If the boat or boat trailer owner's state does not issue titles for the consigned boat or boat trailer,  
10 the owner must provide a current state registration and accompanying affidavit stating that their  
11 home state does not issue titles for the boat or boat trailer being consigned. A bill of sale, the  
12 registration, and affidavit of statement must be in the possession of the consignment selling  
13 dealer or public auction along with the proper consignment contract. The department shall  
14 prescribe the form of the contract.

15 Section 3. That § 32-7B-28 be amended to read:

16 32-7B-28. Before a South Dakota titled boat or a used boat titled in a bordering state  
17 including any accompanying titled boat trailer may be sold by a consignee or at a public auction  
18 pursuant to this chapter, the consignee or auctioneer shall have in possession a South Dakota  
19 title or a state title from a bordering state including any accompanying titled boat trailer for the  
20 boat. If the boat or boat trailer owner's state does not issue titles for the consigned boat or boat  
21 trailer, the owner must provide a current state registration and accompanying affidavit stating  
22 that their home state does not issue titles for the boat or boat trailer being consigned. A bill of  
23 sale, the registration, and affidavit of statement must be in the possession of the consignment  
24 selling dealer or public auction along with the proper consignment contract. A violation of this

1 section is a Class 2 misdemeanor.

2 Section 4. That § 32-6C-5.1 be amended to read:

3 32-6C-5.1. Any snowmobile dealer or public auction may sell, or offer to sell, new or used  
4 snowmobiles on consignment. For the purposes of this chapter, consignment means the delivery  
5 of a snowmobile by the owner into the possession of another without transfer of title for the  
6 purpose of sale or where there is any condition that the purchaser does not have an absolute  
7 obligation to pay for the snowmobile or has a right to return the snowmobile to the seller. Any  
8 snowmobile dealer or public auction who sells, or offers to sell, a South Dakota titled  
9 snowmobile or a used snowmobile titled in a bordering state on consignment shall enter into a  
10 contract with the consignor. If the snowmobile owner's state does not issue titles for the  
11 consigned snowmobile, the owner must provide a current state registration and accompanying  
12 affidavit stating that their home state does not issue titles for the snowmobile being consigned.  
13 A bill of sale, the registration, and affidavit of statement must be in the possession of the  
14 consignment selling dealer or public auction along with the proper consignment contract. The  
15 department shall prescribe the form of the contract.