



2020 South Dakota Legislature  
**House Bill 1091**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise provisions regarding the compensation of merchandise dealers for diagnostic and warranty work.**

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

**Section 1.** That § 37-5-12.4 be AMENDED:

**37-5-12.4. Merchandise manufacturer or supplier compensation of dealer for diagnostic and warranty work.**

Any manufacturer or supplier of merchandise as defined in subdivision 37-5-12.2(5), (8), or (9) that authorizes a dealer of such merchandise to perform the warranty work is obligated to provide that dealer reasonable compensation for diagnostic work, as well as repair service, parts, and labor to the dealer. Time allowances for diagnostic and performance of warranty work and service shall be adequate for the work to be performed. The hourly labor rate paid to the dealer for warranty services may not be less than the rate charged by the dealer for like service to nonwarranty customers for nonwarranty service. Reimbursement for parts used in the performance of warranty repair may not be less than the current retail rate customarily charged by the dealer for the part or parts.

An Act to revise provisions regarding the compensation of merchandise dealers for diagnostic and warranty work.

I certify that the attached Act originated in the:  
House as Bill No. 1091

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

House Bill No. 1091  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

Received at this Executive Office  
this \_\_\_\_ day of \_\_\_\_\_,  
2020 at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 2020

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

Filed \_\_\_\_\_, 2020  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State