

AN ACT

ENTITLED, An Act to revise certain provisions regarding the issuance of a motor vehicle title.

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

Section 1. That § 32-3-28 be amended to read:

32-3-28. The secretary shall issue the certificate of title in paper form or electronic form. If there is no lien noted on the certificate of title or a paper copy is requested pursuant to § 32-3-70, the secretary shall sign the original certificate of title, deliver the paper copy certificate to the owner named on the title or as otherwise directed by the owner postage prepaid, and maintain an electronic copy for record keeping. If there are one or more liens on the motor vehicle, trailer, or semitrailer, the secretary shall properly note each lien in the order of priority on the certificate of title which shall be maintained electronically until each lien is released. A secured party, if any, may obtain electronic confirmation of the party's security interest as filed and noted on the certificate of title.

Section 2. That § 32-3-70 be amended to read:

32-3-70. Notwithstanding any other provision of this title, the department may provide for an electronic lien filing system. If a lien has been noted electronically in the electronic lien filing system, no paper title may be issued to the owner of record or the lienholder. A paper title shall be issued under the following circumstances:

- (1) The lien has been satisfied and the owner requests a title;
- (2) The owner is relocating to another state and the lienholder authorizes the issuance of a title with the lien noted;
- (3) The ownership listed on the title is being changed and the lienholder authorizes the issuance of a title with the lien noted; or
- (4) The titled vehicle has been determined to be a salvage vehicle pursuant to § 32-3-51.19.

A lien shall be noted or cancelled electronically if an electronic certificate of title exists and the

lienholder is participating in the electronic lien filing system. A lien noted electronically is considered perfected as if a paper title was issued and a lien had been noted on the title pursuant to § 32-3-29 or 32-3-41. A lienholder is liable for noting or canceling a lien in error.

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I certify that the attached Act
originated in the

SENATE as Bill No. 42

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. 42

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State