

State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

394Y0635

SENATE BILL NO. 174

Introduced by: Senators Frerichs, Heinert, Klumb, Maher, Nelson, and Youngberg and
Representatives Pischke, Bartling, Brunner, Dennert, Gosch, Lesmeister, and
Schoenfish

1 FOR AN ACT ENTITLED, An Act to revise certain provisions limiting the issuance of certain
2 licenses and permits if a debt is being collected by the obligation recovery center.

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

4 Section 1. That § 1-55-11 be repealed.

5 ~~1-55-11. No person that owes a debt that is referred to the center may renew, obtain, or~~
6 ~~maintain:~~

7 ~~(1) Any registration for any motor vehicle, motorcycle, or boat, in which the person's~~
8 ~~name appears on the title of the motor vehicle, motorcycle, or boat;~~

9 ~~(2) Any driver license as defined by subdivision 32-12-1(1); or~~

10 ~~(3) Any hunting license, fishing license, state park permit, or camping permit;~~

11 ~~unless the debt and cost recovery fee is either paid in full or the debtor has entered into a~~
12 ~~payment plan with the center and payment pursuant to the plan is current.~~

13 Section 2. That § 1-55-12 be repealed.

14 ~~1-55-12. No agency, board, or entity of the State of South Dakota may issue, renew, or allow~~



1 ~~an individual to maintain any motor vehicle, motorcycle, or boat registration, driver license,~~
2 ~~hunting license, fishing license, state park permit, or camping permit, after receiving notice from~~
3 ~~the center that the applicant, registrant, or licensee has a debt that is being collected by the~~
4 ~~center, unless the applicant, registrant, or licensee has paid the debt and cost recovery fee in full~~
5 ~~or the debtor has entered into a payment plan with the center and payment pursuant to the plan~~
6 ~~is current.~~

7 ~~— An applicant, registrant, or licensee who disputes a determination by the center that the~~
8 ~~applicant, registrant, or licensee has a debt that has been referred to the center for collection~~
9 ~~shall, upon request, be given a due process hearing by the center. Upon recommendation by the~~
10 ~~center, the agency or entity may issue a temporary license, registration, certification, or permit~~
11 ~~to the applicant, registrant, or licensee pending final resolution of the due process hearing.~~

12 Section 3. That § 1-55-15 be amended to read:

13 1-55-15. The Bureau of Administration may promulgate rules, pursuant to chapter 1-26, in
14 the following areas:

- 15 (1) Definitions;
- 16 (2) Procedure for remitting moneys collected to referring entities;
- 17 (3) Processes and procedures for entering into payment agreements with debtors;
- 18 (4) A process for the imposition of the cost recovery fee;
- 19 (5) The data collection system;
- 20 (6) The centralized electronic debt management system;
- 21 (7) The settlement authority process; and
- 22 (8) ~~The procedure for sending information to the Division of Motor Vehicles concerning~~
23 ~~the nonrenewal of registrations for motor vehicles, motorcycles, and boats;~~
- 24 ~~— (9) — The procedure for sending information to the Department of Public Safety~~

1 concerning the nonrenewal of driver licenses;

2 ~~—(10)—The procedure for sending information to the Department of Game, Fish and Parks~~

3 concerning the nonissuance of hunting licenses, fishing licenses, state park permits,

4 and camping permits; and

5 ~~—(11)—The setoff of debt process.~~