

State of South Dakota

NINETY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2018

378Z0035

HOUSE BILL NO. 1207

Introduced by: Representatives Pischke, Dennert, DiSanto, Kaiser, and Marty and Senators
Heinert, Jensen (Phil), Nelson, and Russell

1 FOR AN ACT ENTITLED, An Act to revise certain provisions that prohibit the issuance of
2 certain 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 That § 1-55-11 be repealed.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 That § 1-55-12 be repealed.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~~
15 ~~an individual to maintain any motor vehicle, motorcycle, or boat registration, driver license,~~



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

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

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

12 1-55-15. The Bureau of Administration may promulgate rules, pursuant to chapter 1-26, in
13 the following areas:

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

1 ~~—(10)—~~ The procedure for sending information to the Department of Game, Fish and Parks
2 concerning the nonissuance of hunting licenses, fishing licenses, state park permits,
3 and camping permits; and

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

5 Section 4. That § 25-7A-56 be repealed.

6 ~~—25-7A-56. No state agency or board may issue or renew the professional, sporting, or~~
7 ~~recreational license, registration, certification, or permit of any applicant after receiving notice~~
8 ~~from the Department of Social Services that the applicant has support arrearages in the sum of~~
9 ~~one thousand dollars or more, unless the applicant first makes satisfactory arrangements with~~
10 ~~the Department of Social Services for payment of any accumulated arrearages. An applicant~~
11 ~~who disputes a determination by the Department of Social Services that the applicant has~~
12 ~~support arrearages of one thousand dollars or more shall, upon request, be given a due process~~
13 ~~hearing by the department. Upon recommendation by the department, the licensing agency or~~
14 ~~board may issue a temporary license, registration, certification, or permit to the applicant~~
15 ~~pending final resolution of the due process hearing. The department may promulgate rules~~
16 ~~pursuant to chapter 1-26 to implement the provisions of this section.~~

17 ~~—The term professional license, registration, certification, or permit as specified by this~~
18 ~~section includes any profession or occupation as specified in Title 36; insurance brokers, agents,~~
19 ~~and solicitors as specified in chapter 58-30; teachers and administrators as specified in chapters~~
20 ~~13-42 and 13-43; attorneys as specified in chapter 16-16; securities agents, securities brokers,~~
21 ~~investment advisers, or investment adviser representatives as specified in chapter 47-31B; pilots~~
22 ~~as specified in chapter 50-11; day care providers as specified in chapter 26-6; gaming employees~~
23 ~~as specified in chapter 42-7B; and law enforcement officers as specified in chapter 23-3. The~~
24 ~~state agencies or boards which govern the professions, recreational licenses, and occupations~~

1 ~~listed in this paragraph may adopt rules pursuant to chapter 1-26 to implement the provisions~~
2 ~~of this section for their particular profession or occupation.~~

3 Section 5. That § 25-7A-56.1 be repealed.

4 ~~—25-7A-56.1. A circuit court may revoke, suspend, or restrict a person's drivers, professional,~~
5 ~~occupational, sporting, or recreational license if the person owes past-due support, or if the~~
6 ~~person, after receiving appropriate notice, fails to comply with a subpoena or warrant relating~~
7 ~~to a paternity or child support proceeding.~~

8 Section 6. That § 32-12-116 be repealed.

9 ~~—32-12-116. The Department of Public Safety may not issue or renew any license under this~~
10 ~~chapter to a person after receiving notice from the Department of Social Services that the person~~
11 ~~has support arrearages in the sum of one thousand dollars or more unless the person has made~~
12 ~~satisfactory arrangements with the Department of Social Services for payment of any~~
13 ~~accumulated arrearages. However, the Department of Public Safety may, upon the~~
14 ~~recommendation of the Department of Social Services, issue a temporary permit pursuant to~~
15 ~~§ 32-12-19 pending the issuance of a license if the temporary permit is necessary for the licensee~~
16 ~~to work and if the Department of Social Services has determined that the licensee is making a~~
17 ~~good faith effort to comply with the provisions of this section.~~

18 ~~—The Department of Social Services may also serve a notice of intent to administratively~~
19 ~~revoke a license if the licensee has failed to comply with a written repayment agreement. The~~
20 ~~notice shall be mailed to the licensee's last known address and shall advise the licensee of the~~
21 ~~Department of Social Services' intent to seek administrative revocation of the license for failure~~
22 ~~to comply with the repayment agreement. The notice shall advise the licensee of all~~
23 ~~administrative due process rights, including the right to request a fair hearing pursuant to chapter~~
24 ~~1-26 within ten days following service of the notice. If a licensee fails to request a hearing~~

1 ~~within ten days of service of the notice, the Department of Social Services may request the~~
2 ~~Department of Public Safety to revoke the license. If a licensee makes a timely request for a~~
3 ~~hearing, a hearing shall be provided pursuant to chapter 1-26. Upon entry of an administrative~~
4 ~~decision that determines that a licensee has failed to comply with the terms of a repayment~~
5 ~~agreement, the Department of Public Safety shall enter an order revoking the license.~~

6 ~~—The Department of Social Services may promulgate rules pursuant to chapter 1-26 to~~
7 ~~implement the provisions of this section as they pertain to the functions of the Department of~~
8 ~~Social Services. The Department of Public Safety may promulgate rules pursuant to chapter 1-~~
9 ~~26 to implement the provisions of this section as they pertain to the functions of the Department~~
10 ~~of Public Safety.~~