

2022 South Dakota Legislature

House Bill 1061**AMENDMENT 1061H FOR THE HOUSE COMMERCE AND ENERGY ENGROSSED BILL**

1 **An Act to codify an advisory council for the appraiser certification program.**

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

3 **Section 1. That chapter 36-21B be amended with a NEW SECTION:**

4 The secretary of the Department of Labor and Regulation shall establish an
5 advisory council for purposes of soliciting input from appraisers, financial institutions, and
6 other experts in the areas of appraiser certification program administration, in order to
7 sustain a program that is consistent with applicable federal and state requirements.

8 The advisory council shall consist of eleven members:

9 (1) Director of the Division of Banking;

10 (2) Executive Director of the South Dakota Real Estate Commission;

11 (3) One licensed real estate broker in this state;

12 (4) One financial institution representative;

13 (5) One mortgage broker; and

14 (6) Six licensed or certified appraisers in this state:

15 (a) One state-licensed appraiser located anywhere in the state;

16 (b) Two state-certified residential appraisers, one located in eastern South
17 Dakota and one located in western South Dakota;

18 (c) Two state-certified general appraisers, one located in eastern South Dakota
19 and one located in western South Dakota; and

20 (d) One institutional staff appraiser.

21 **Section 2. That chapter 36-21B be amended with a NEW SECTION:**

22 Each council member shall serve a term of three years, except ~~that three of those~~
23 ~~who are members as licensed or certified appraisers that are initially appointed shall serve~~
24 ~~a term of two years for initial appointments effective July 1, 2022, the real estate broker~~

1 representative, the state-certified residential appraiser located in eastern South Dakota,
2 and the state-certified general appraiser located in eastern South Dakota shall serve a
3 term of three years; the mortgage broker representative, the state-certified residential
4 appraiser located in western South Dakota, and the state-licensed appraiser shall serve a
5 term of two years; and the financial institution representative, the state-certified general
6 appraiser located in western South Dakota, and the institutional staff appraiser shall serve
7 a one-year term. No council member may be appointed to more than three consecutive,
8 full terms. If a vacancy occurs, the council will recommend to the secretary of the
9 Department of Labor and Regulation a person to fill the unexpired term. The appointment
10 of a person to an unexpired term is not considered a full term. Term limits do not apply
11 to the director of the Banking Division or the Executive Director of the South Dakota Real
12 Estate Commission. These members represent a department staff position.

13 The council shall meet quarterly at such time and place within this state as shall
14 be designated by the secretary of the Department of Labor and Regulation. The council
15 shall meet the requirements of chapter 1-25 regarding open meetings.

16 Each council member, except the members representing a department staff
17 position, shall receive travel subsistence, and per diem in accordance with rules
18 established by the State Board of Finance. Eligible members must be paid for each day of
19 actual service for traveling to, attending, and returning from meetings of the council.
20 Travel, subsistence, and per diem must be paid on vouchers duly verified and approved
21 according to the rules determined by the State Board of Finance.

22 **Section 3. That chapter 36-21B be amended with a NEW SECTION:**

23 To be eligible to serve as a council member, a candidate for the appraiser, real
24 estate broker, or mortgage broker position must hold an applicable license, certificate, or
25 credential in good standing in this state. To be considered in good standing, the candidate
26 must not have been subject to any disciplinary action that affects legal eligibility to engage
27 in appraisal practice, real estate brokerage, or mortgage brokerage for three years after
28 successful completion of any sanctions imposed. Examples of sanctions that affect a
29 licensee's eligibility to practice are suspension, revocation or voluntary surrender.

30 **Section 4. That chapter 36-21B be amended with a NEW SECTION:**

31 If an appraiser, real estate broker, or mortgage broker member of the council is
32 subject to any disciplinary action that affects legal eligibility to engage in appraisal

- 1 practice, real estate brokerage, or mortgage brokerage, the council shall recommend that
- 2 the secretary of the Department of Labor and Regulation remove the member.

AMENDED