

AN ACT

ENTITLED, An Act to provide for the licensing of certain real estate corporations and limited liability companies.

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

Section 1. That chapter 36-21A be amended by adding thereto a NEW SECTION to read as follows:

A real estate salesperson or broker associate employed by or otherwise associated with a broker may form a business corporation or limited liability company under all the following conditions:

- (1) The business corporation or limited liability company does not engage in real estate transactions as a third-party agent or in any other capacity requiring a license under this chapter;
- (2) The business corporation or limited liability company does not advertise or otherwise hold itself out as a real estate brokerage company;
- (3) The employing or associating broker is not relieved of any obligation to supervise the employed or associated licensee or any other requirement of this chapter or the rules adopted pursuant to this chapter;
- (4) The employed or associated licensee is not relieved of any personal liability for any licensed activities by interposing the corporate or limited liability form;
- (5) The business corporation or limited liability company is owned solely by an individual real estate salesperson or broker associate, or by that person and that person's spouse; and
- (6) The business corporation or limited liability company is approved by and registered with the commission. The registration fee for an approved business corporation or limited liability company shall be established by rule promulgated pursuant to chapter 1-26. The fee may not exceed one hundred dollars.

An Act to provide for the licensing of certain real estate corporations and limited liability companies.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1205

Chief Clerk
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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1205

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