

## **ARTICLE 20:14**

### **APPRAISERS**

#### Chapter

- 20:14:01 General provisions.
- 20:14:02 Administration.
- 20:14:03 Application procedure.
- 20:14:04 Transactions requiring qualified appraisers.
- 20:14:05 Qualifications for certification, licensure, and registration.
- 20:14:06 Appraisal standards.
- 20:14:07 Records.
- 20:14:08 Appraiser independence.
- 20:14:09 Professional membership and competence.
- 20:14:10 Fee schedule.
- 20:14:11 Complaints, investigations, and discipline.
- 20:14:12 Nonresident certification, licensure, and temporary practice.
- 20:14:13 Qualifying and continuing education.

## CHAPTER 20:14:05

### QUALIFICATIONS FOR CERTIFICATION, LICENSURE, AND REGISTRATION

#### Section

- 20:14:05:01 Qualifications.
- 20:14:05:01.01 Qualifications for certified or licensed appraisers that move to the state.
- 20:14:05:01.02 Limited exemption for qualifications -- Military.
- 20:14:05:02 Examination.
- 20:14:05:02.00 Examination approval -- Time limit.
- 20:14:05:02.01 Experience requirements for state-registered appraiser.
- 20:14:05:03 Experience requirements for state-licensed appraiser.
- 20:14:05:03.01 Experience requirements for state-certified residential appraiser.
- 20:14:05:04 Experience requirements for state-certified general appraiser.
- 20:14:05:05 Acceptable experience.
- 20:14:05:05.01 Experience -- Review of appraisals by secretary.
- 20:14:05:05.02 Experience -- Documentation requirements.
- 20:14:05:05.03 Experience -- Time spent on the appraisal process.
- 20:14:05:05.04 Experience -- Time limit.
- 20:14:05:05.05 Experience -- Review of appraisals by secretary midway to upgrade.
- 20:14:05:06 Experience -- Verification.
- 20:14:05:06.01 Educational requirements for state-registered appraiser.
- 20:14:05:06.02 Education program for state-registered appraiser.
- 20:14:05:07 Educational requirements for state-licensed appraiser -- Appraiser education.

20:14:05:07.01 Educational requirements for state-certified residential appraiser -- Appraiser education.

20:14:05:07.02 Educational requirements for state-certified residential appraiser -- General education.

20:14:05:07.03 ~~Educational requirements for state-licensed appraiser -- General education.~~  
Repealed.

20:14:05:07.04 Alternative to general education requirements of the state-certified residential appraiser credential for state-licensed appraiser.

20:14:05:08 Educational requirements for state-certified general appraiser -- Appraiser education.

20:14:05:08.01 Educational requirements for state-certified general appraiser -- General education.

20:14:05:08.02 Education -- Real estate degree.

20:14:05:09 Repealed.

20:14:05:10 Transferred.

20:14:05:11 Education -- Time limit.

20:14:05:12 Repealed.

20:14:05:12.01 Substitution of education.

20:14:05:13 Transferred.

20:14:05:14 Transferred.

20:14:05:15 Transferred.

20:14:05:16 Transferred.

20:14:05:17 Transferred.

20:14:05:18 Repealed.

20:14:05:19 Upgrade of credential.

20:14:05:20 Repealed.

**20:14:05:03. Experience requirements for state-licensed appraiser.** An applicant for state-licensed appraiser credential shall have a minimum of ~~12~~ 6 months and ~~2,000~~ 1,000 hours of appraisal experience.

**Source:** 18 SDR 36, effective August 25, 1991; 20 SDR 9, effective August 1, 1993; 22 SDR 91, effective January 1, 1996; 32 SDR 109, effective December 27, 2005; 33 SDR 2, effective July 19, 2006; 38 SDR 116, effective January 10, 2012; 44 SDR 27, effective August 14, 2017.

**General Authority:** SDCL 36-21B-3.

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(7).

**20:14:05:03.01. Experience requirements for state-certified residential appraiser.** An applicant for state-certified residential appraiser credential shall have a minimum of ~~24~~ 12 months and ~~2,500~~ 1,500 hours of appraisal experience of which at least ~~1,250~~ 750 hours are in residential appraisal work. The applicant shall submit for review at least two small income-producing property appraisal reports. Each report shall include all three approaches to value. "Residential" is defined as one- to four-family residential units.

**Source:** 23 SDR 113, effective January 12, 1997; 24 SDR 91, effective January 8, 1998; 27 SDR 99, effective April 8, 2001; 33 SDR 2, effective July 19, 2006; 34 SDR 67, effective September 11, 2007; 42 SDR 98, effective January 5, 2016; 44 SDR 27, effective August 14, 2017.

**General Authority:** SDCL 36-21B-3(7).

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(7).

**20:14:05:04. Experience requirements for state-certified general appraiser.** An applicant for a state-certified general appraiser credential shall have a minimum of ~~30~~ 18 months and 3,000 hours of appraisal experience of which at least 1,500 hours are in nonresidential appraisal work. The applicant shall submit for review a minimum of two nonresidential appraisal reports. Both of the reports shall include all three approaches to value. "Residential" is defined as one- to four-family residential units.

**Source:** 18 SDR 36, effective August 25, 1991; 20 SDR 9, effective August 1, 1993; 22 SDR 91, effective January 1, 1996; 23 SDR 113, effective January 12, 1997; 24 SDR 91, effective January 8, 1998; 33 SDR 2, effective July 19, 2006; 34 SDR 67, effective September 11, 2007; 42 SDR 98, effective January 5, 2016; 44 SDR 27, effective August 14, 2017.

**General Authority:** SDCL 36-21B-3(7)(17).

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(7).

**20:14:05:05.02. Experience -- Documentation requirements.** Appraisal reports submitted as documentation of experience must ~~be in conformance~~ comply with the generally accepted uniform standards of professional appraisal practice as incorporated in § 20:14:06:01 for the type of real estate as of the time the work was completed.

**Source:** 20 SDR 9, effective August 1, 1993; 22 SDR 91, effective January 1, 1996; 24 SDR 91, effective January 8, 1998.

**General Authority:** SDCL 36-21B-3(3)(7)(17).

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(3)(17).

**20:14:05:07.02. Educational requirements for state-certified residential appraiser --**

**General education.** An applicant for the state-certified residential appraiser credential ~~shall hold a bachelor's degree, or higher, from an accredited college or university.~~ must satisfy one of the following general education options:

- (1) Hold a bachelor's degree, or higher from an accredited college or university.
- (2) Hold an associate degree from an accredited college or university in a field of study related to:
  - (a) Business administration;
  - (b) Accounting;
  - (c) Finance;
  - (d) Economics; or
  - (e) Real estate.
- (3) Successful completion of 30 semester hours of college-level courses from an accredited college or university in the following specific topic areas:
  - (a) English composition (3 semester hours);
  - (b) Microeconomics (3 semester hours);
  - (c) Macroeconomics (3 semester hours);
  - (d) Finance (3 semester hours);
  - (e) Algebra, geometry, or higher mathematics (3 semester hours);
  - (f) Statistics (3 semester hours);
  - (g) Computer science (3 semester hours);
  - (h) Business or real estate law (3 semester hours); and
  - (i) Two elective courses in:
    - (i) Accounting (3 semester hours);
    - (ii) Geography (3 semester hours);

- (iii) Agricultural economics (3 semester hours);
  - (iv) Business management (3 semester hours); or
  - (v) Real estate (3 semester hours).
- (4) Successful completion of at least 30 hours of College Level Examination Program® (CLEP®) examinations from the following subject matter areas:
- (a) College algebra
  - (b) College composition
  - (c) College composition modular
  - (d) College mathematics
  - (e) Principles of macroeconomics
  - (f) Principles of microeconomics
  - (g) Introductory business law
  - (h) Information systems

Note: The applicant for state-certified residential appraiser may use any combination of the specific topic areas listed in (3) above and subject matter areas listed in (4) above to satisfy the 30 semester hours of college-level courses.

The college or university shall be a degree-granting institution accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. If an accredited college or university accepts the College Level Program® (CLEP®) examination and issues a transcript for the examination showing its approval, it shall be considered as credit for the college course.

**Source:** 32 SDR 109, adopted December 7, 2005, effective January 1, 2008; 34 SDR 67, adopted August 22, 2007, effective January 1, 2008; 36 SDR 112, effective January 11, 2010; 38 SDR 214, adopted June 21, 2012, effective July 1, 2014; 44 SDR 27, effective August 14, 2017.

**General Authority:** 36-21B-3(3)(6).

**Law Implemented:** 36-21B-1, 36-21B-3(3)(6).

**Cross-References:**

Requirement for qualifying education credit, § 20:14:13:03.01.

Application for course approval, § 20:14:13:07.

**20:14:05:07.03. Educational requirements for state-licensed appraiser – General education.** ~~An applicant for the state licensed appraiser credential shall have successfully completed 30 semester hours of college level education from an accredited college, junior college, community college, or university. The college or university shall be a degree granting institution accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U. S. Secretary of Education. If an accredited college or university accepts the College Level Examination Program<sup>®</sup> (CLEP) and examination and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.~~

~~An applicant holding an Associate degree or higher from an accredited college, junior college, community college, or university satisfies the 30-hour college level education requirement. Repealed.~~

**Source:** 38 SDR 214, adopted June 21, 2012, effective July 1, 2014; 42 SDR 98, effective January 5, 2016; 44 SDR 27, effective August 14, 2017.

**General Authority:** ~~SDCL 36-21B-3(3)(6).~~

**Law Implemented:** ~~SDCL 36-21B-1, 36-21B-3(3)(6).~~



**Cross-References:**

~~Requirement for qualifying education credit, § 20:14:13:03.01.~~

~~Application for course approval, § 20:14:13:07.~~

**20:14:05:07.04. Alternative to general educational requirements of the state-certified residential appraiser credential for state-licensed appraiser.** A state-licensed appraiser may, as an alternative to the general education requirements as prescribed in §20:14:05:07.02, qualify for upgrade to state-certified residential appraiser if all of the following requirements have been satisfied:

- (1) Has held a state-licensed appraiser credential for a minimum of five years;
- (2) Has not been subject to any disciplinary action within any jurisdiction that affects legal eligibility to engage in appraisal practice within the five years preceding an application for state-certified residential appraiser;
- (3) Has met all of the experience requirements for state-certified residential appraiser as prescribed in §20:14:05:03.01, and
- (4) Has met all of the appraiser education requirements for state-certified residential appraiser as required in §20:14:05:07.01.

**General Authority: SDCL 36-21B-3(7).**

**Law Implemented: SDCL 36-21B-1, 36-21B-3(1)(6)(7).**

## CHAPTER 20:14:06

### APPRAISAL STANDARDS

#### Section

- 20:14:06:01 ~~Conformance~~ Compliance with uniform standards.
- 20:14:06:01.01 Assignment conditions.
- 20:14:06:01.02 Reporting of appraisal management company registration number.
- 20:14:06:02 Repealed.
- 20:14:06:03 Repealed.
- 20:14:06:04 Repealed.
- 20:14:06:05 Repealed.
- 20:14:06:06 Repealed.
- 20:14:06:07 Repealed.
- 20:14:06:08 Repealed.
- 20:14:06:09 Repealed.
- 20:14:06:10 Repealed.
- 20:14:06:11 Repealed.
- 20:14:06:12 Repealed.
- 20:14:06:13 Repealed.
- 20:14:06:14 Repealed.

**20:14:06:01. Conformance Compliance with uniform standards.** An appraiser, performing any appraisal practice assignment, shall complete the assignment in ~~conformance~~ compliance with the **Uniform Standards of Professional Appraisal Practice**, 2018-2019 Edition. The appraiser must also disclose in the appraisal practice assignment any steps taken that were necessary or appropriate to comply with the competency rule of the uniform standards.

**Source:** 18 SDR 36, effective August 25, 1991; 19 SDR 12, effective August 3, 1992; 20 SDR 9, effective August 1, 1993; 21 SDR 49, effective September 18, 1994; 22 SDR 91, effective January 1, 1996; 23 SDR 113, effective January 12, 1997; 24 SDR 91, effective January 8, 1998; 25 SDR 123, effective April 8, 1999; 26 SDR 120, effective March 27, 2000; 27 SDR 99, effective April 8, 2001; 28 SDR 109, effective February 7, 2002; 29 SDR 99, effective January 15, 2003; 30 SDR 115, effective February 2, 2004; 31 SDR 165, effective May 10, 2005; 33 SDR 2, effective July 19, 2006; 34 SDR 200, effective January 28, 2008; 36 SDR 112, effective January 11, 2010; 38 SDR 116, effective January 10, 2012; 40 SDR 121, effective January 7, 2014; 42 SDR 98, effective January 5, 2016; 44 SDR 99, effective December 11, 2017.

**General Authority:** SDCL 36-21B-3(3)(16).

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(3).

**Reference:** **Uniform Standards of Professional Appraisal Practice**, 2018-2019 Edition, Appraisal Standards Board of the Appraisal Foundation. Copies may be obtained from the Appraisal Foundation website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org) or by calling 800-348-2831. Cost: \$75 plus shipping and handling.

## CHAPTER 20:14:10

### FEE SCHEDULE

#### Section

20:14:10:01 Application fees.

20:14:10:02 Renewal fees.

20:14:10:03 Repealed.

20:14:10:04 Late credential renewal fee.

20:14:10:04.01. Uniform standards update course late completion renewal fee.

20:14:10:05 Upgrade fee.

20:14:10:05.01 Upgrade fee -- midway upgrade.

20:14:10:06 Fee for approval of course.

20:14:10:07 Refund of fees.

**20:14:10:04. Late credential renewal fee.** The late renewal fee for submitting the appraiser credential renewal application after the renewal deadline as prescribed in 20:14:03:03 is \$25 for each month or fraction of a month that has passed since the first day of October, not to exceed \$200.

**Source:** 20 SDR 9, effective August 1, 1993; 23 SDR 113, effective January 12, 1997.

**General Authority:** SDCL 36-21B-4.

**Law Implemented:** SDCL 36-21B-3(9), 36-21B-4(4).

20:14:10:04.01. Uniform standards update course late completion renewal fee. The late renewal fee for completing the seven-hour update course that covers the uniform standards after June 30 of each even-numbered year as prescribed in § 20:14:13:01 is \$100, not to exceed \$200.

General Authority: SDCL 36-21B-4

Law Implemented: SDCL 36-21B-3(3) (9), 36-21B-4(4)

## **CHAPTER 20:14:13**

### **QUALIFYING AND CONTINUING EDUCATION**

#### Section

- 20:14:13:01 Continuing education requirements.
- 20:14:13:01.01 Continuing education not required.
- 20:14:13:01.02 Continuing education -- Partial requirement.
- 20:14:13:02 Acceptable continuing education course topics.
- 20:14:13:02.01 Acceptable continuing education credit for field trips.
- 20:14:13:03 Minimum length of continuing education course.
- 20:14:13:03.01 Requirement for qualifying education credit.
- 20:14:13:03.02 Maximum length of classroom hours of instruction.
- 20:14:13:04 Additional activities eligible for continuing education credit.
- 20:14:13:05 Sources of qualifying education credit.
- 20:14:13:05.01 Acceptable courses without state review.
- 20:14:13:05.02 Acceptable distance education courses.

- 20:14:13:05.03 Distance education -- Continuing education.
- 20:14:13:05.04 Distance education -- Qualifying education.
- 20:14:13:06 Term of approval.
- 20:14:13:07 Application for course approval.
- 20:14:13:08 Approval of course changes.
- 20:14:13:09 Repealed.
- 20:14:13:10 Uniform standards training for instructors.
- 20:14:13:10.01 Courses on the appraisal standards and ethics.
- 20:14:13:11 Certificate of attendance issued by course provider.
- 20:14:13:12 Disapproval or denial of a course.
- 20:14:13:13 Training course for supervisory appraisers and state-registered appraisers.
- 20:14:13:14 Course evaluation.

**20:14:13:01. Continuing education requirements.** In each odd-numbered year an applicant for renewal of a credential shall document completion of the equivalent of 28 class hours of instruction in approved courses or seminars during the preceding reporting period unless the continuing education is not required pursuant to § 20:14:13:01.01 or 20:14:03:05. Seven of the 28 class hours of instruction must be completed in the seven-hour update course that covers the uniform standards as adopted in § 20:14:06:01 or its equivalent as determined by the secretary or an alternative method as specified for continuing education in § 20:14:13:10.01. The applicant shall successfully complete the most current edition seven-hour uniform standards course prior to June 30 of each even-numbered year. If the applicant has not completed the seven-hour update course by June 30 of each even-numbered year the applicant will be assessed a late completion renewal fee as prescribed in § 20:14:10:04.01. An applicant may not receive credit for completion

of the same continuing education offering within an appraiser's continuing education reporting period.

**Source:** 18 SDR 36, effective August 25, 1991; transferred from § 20:14:05:13, 20 SDR 9, effective August 1, 1993; 21 SDR 49, effective September 18, 1994; 22 SDR 91, effective January 1, 1996; 24 SDR 91, effective January 8, 1998; 25 SDR 123, effective April 8, 1999; 29 SDR 99, effective January 15, 2003; 32 SDR 109, effective December 27, 2005; 34 SDR 67, effective September 11, 2007; 36 SDR 112, effective January 11, 2010; 38 SDR 116, effective January 10, 2012; 38 SDR 214, effective June 21, 2012; 44 SDR 27, effective August 14, 2017.

**General Authority:** SDCL 36-21B-3(6).

**Law Implemented:** SDCL 36-21B-1, 36-21B-3(3)(6).