ARTICLE 20:14

APPRAISERS

Chapter

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20:14:04:16. **Supervisory appraiser approval renewal.** To renew any current supervisory appraiser approval, the holder of the approval shall, between July 2 through August
file an application on a form provided by the secretary and pay the renewal fee prescribed in §
20:14:10:02. The fee shall be paid to the secretary not more than 90 days and not less than 45 days
before the expiration date of the supervisory appraiser approval.

Source: 35 SDR 175, effective January 1, 2009; 36 SDR 112, effective January 11, 2010;

General Authority: SDCL 36-21B-3 36-21B-3(4)(9).

Law Implemented: SDCL 36-21B-1, 36-21B-3(4)(9), 36-21B-4(2).

20:14:04:17. Responsibilities of the supervisory appraiser. The supervisory appraiser
for a state-registered appraiser is responsible for:

(1) Training, guidance, and direct supervision of the state-registered appraiser;

(2) Mentoring of the state-registered appraiser;

(3) Personally inspecting:

(a) A minimum of 25 residential subject properties with the state-registered appraiser if
the state-registered appraiser is seeking the state-licensed or state-certified residential
appraiser credential. If the state-registered appraiser seeking the state-licensed or state-certified
residential appraiser credential includes the appraisal of nonresidential properties, the supervisory
appraiser shall personally inspect all nonresidential subject properties up to 15 properties with the
state-registered appraiser; or

(b) A minimum of 15 nonresidential subject properties with the state-registered
appraiser if the state-registered appraiser is seeking the state-certified general appraiser credential.
If the state-registered appraiser seeking the state-certified general appraiser credential includes the
appraisal of residential properties the supervisory appraiser shall personally inspect all residential subject properties up to 25 properties with the state-registered appraiser.

If the minimum personal inspections by the supervisory appraiser have been met and the state-registered appraiser does not demonstrate competence in the appraisal work as required in § 20:14:09:02, the supervisory appraiser shall continue the personal inspections until competence is demonstrated.

If a state-registered appraiser has more than one supervisory appraiser, all of the personal inspections of each of the supervisory appraisers may be totaled to meet the minimum personal inspections required by this subdivision;

(4) Reviewing the state-registered appraiser's appraisal report to ensure adequately conducted research of general and specific data, proper application of appraisal principles and methodologies, sound analysis, and adequately developed analysis, opinions, or conclusions so that the appraisal report is not misleading;

(5) Reviewing the state-registered appraiser's work product and discussing any edits, corrections, or modifications that need to be made to that work product for compliance with the uniform standards as incorporated in § 20:14:06:01;

(6) Accepting full responsibility for the appraisal report by signing the certification certifying that the appraisal report has been prepared in compliance with the uniform standards as incorporated in § 20:14:06:01;

(7) Signing the state-registered appraiser's appraisal log as applicable referenced in § 20:14:05:05.01; and,

(8) Jointly maintaining an appraisal log with each state-registered appraiser on a form provided by the secretary that includes each appraisal performed by the state-registered appraiser
to ensure it is accurate. Separate appraisal logs must be maintained for each state-registered appraiser.

Source: 35 SDR 175, effective January 1, 2009; 36 SDR 112, effective January 11, 2010; 38 SDR 214, effective June 21, 2012; 41 SDR 217, effective June 29, 2015; 44 SDR 27, effective August 14, 2017; 46 SDR 75, effective December 4, 2019.

General Authority: SDCL 36-21B-3 36-21B-3(3)(16)(17).

Law Implemented: SDCL 36-21B-1, 36-21B-3(3)(16)(17).

CHAPTER 20:14:05
QUALIFICATIONS FOR CERTIFICATION, LICENSURE, AND REGISTRATION

Section
20:14:05:01 Qualifications.
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20:14:05:01.02 Limited exemption for qualifications—Military Repealed.
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20:14:05:02.00 Examination approval -- Time limit.
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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 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.
20:14:05:01.02. Limited exemption for qualifications -- Military. An applicant for state licensed, state certified residential, or state certified general appraiser in the Reserve components of the U.S. Armed Forces, who was pursuing appraiser licensure or certification prior to December 1, 2011, and who was called to active duty between December 1, 2011, and December 31, 2014, may satisfy the qualifications required prior to July 1, 2014, for an additional time period after January 1, 2015. The extension of time is equal to the applicant's time of active duty, plus an additional 12 months. Repealed.
20:14:05:02. Examination. An applicant for a state-licensed, state-certified residential, or state-certified general appraiser credential must have completed the education and experience requirements prescribed in this chapter prior to approval to sit for an Appraiser Qualifications Board Approved Appraiser National Uniform Examination. An applicant for a state-registered appraiser credential shall have successfully completed the education prescribed in § 20:14:05:06.01 prior to approval to sit for an examination prescribed by the secretary.

An applicant for a state-certified general, state-certified residential, or state-licensed appraiser credential approved to take the National Uniform Appraiser Examination may take the examination no more than four times. If an applicant does not pass the examination on the fourth attempt, the application is no longer valid. The applicant may file a new application after a period of six months from the date of the fourth failed exam.
Cross-References:
State-certified general appraiser education, §§ 20:14:05:08 and 20:14:05:08.01.
State-certified general appraiser experience, § 20:14:05:04.
State-certified residential appraiser education, §§ 20:14:05:07.01 and 20:14:05:07.02 and 20:14:05:07.03.
State-certified residential appraiser experience, § 20:14:05:03.01.
State-licensed appraiser experience, § 20:14:05:03.
State-registered appraiser education, § 20:14:05:06.01.

20:14:05:02.00. Examination approval -- Time limit. An applicant for a state-certified general, state-certified residential, or state-licensed appraiser credential approved to take the National Uniform Appraiser Examination, or an applicant for a state-registered appraiser credential approved to complete the examination prescribed by the secretary, shall successfully complete the examination within 24 months from the date of approval. If the applicant does not successfully complete the examination within the time limit under this section, the applicant may apply pursuant to § 20:14:03:01 and pay the application fee prescribed in § 20:14:10:01. The examination is valid for a period of 24 months from the date of successful completion.

Source: 26 SDR 120, effective March 27, 2000; 32 SDR 109, effective December 27, 2005; 34 SDR 67, effective September 11, 2007; 44 SDR 27, effective August 14, 2017; 46 SDR 75, effective December 4, 2019.
General Authority: SDCL 36-21B-3(5).

Law Implemented: SDCL 36-21B-3(5) 36-21B-1, 36-21B-4(1).

20:14:05:05. Acceptable experience. Acceptable appraisal experience includes experience in performing. The following are acceptable appraisal experience:

(1) Appraisal;

(2) Appraisal review;

(3) Appraisal consulting;

(4) Mass appraisal.

For a real estate lending officer or a real estate broker, acceptable appraisal experience includes the actual performance of a real estate appraisal or a professional review of a real estate appraisal, as determined by the secretary are acceptable appraisal experiences.

Case studies or practicum courses that are approved by the Appraiser Qualifications Board Course Approval Program or state appraiser regulatory agencies, and non-client appraisal experience, may be used to satisfy the appraisal experience requirement. Case studies, practicum courses, and non-client appraisal experience may not exceed 50 percent of the total experience requirement.

20:14:05:21. **Acceptable alternative appraisal experience.** Appraisal experience obtained through an alternative method other than through the supervisory appraiser and state-registered appraiser experience model may satisfy the experience requirement for state-licensed, state-certified residential, and state-certified general appraiser credentials. Alternate methods of earning appraisal experience:

____ (1) Practicum courses approved by the Appraiser Qualifications Board Course Approval Program or state appraiser regulatory agencies;

____ (2) Practical Applications of Real Estate Appraisal (PAREA) programs approved by the Appraiser Qualifications Board Course Approval Program or state appraiser regulatory agencies. Partial credit must not be granted for completing only a portion of a PAREA program. Experience credit must be granted upon verification of successful completion of an entire PAREA program for the state-licensed or state-certified residential appraiser credential, as applicable; and

____ (3) An experience training program administered in accordance with chapter 20:14:15.

**Source:**

**General Authority:** SDCL 36-21B-3(1)(21).

**Law Implemented:** SDCL 36-21B-1.

**Note:** It is not required that a state-registered appraiser have a client traditional client for an appraisal to qualify as acceptable appraisal experience, such as the appraiser being hired by a client for a business purpose.
Cross-references:

- State-licensed appraiser experience, § 20:14:05:03
- State-certified residential appraiser experience, § 20:14:05:03.01
- State-certified general appraiser experience, § 20:14:05:04.


20:14:13:02. Acceptable continuing education course topics. Credit may be granted The Department may grant credit to an applicant for renewal for courses that cover real estate topics related to appraisal and that maintain or increase the an appraiser's skill, knowledge, and competency in real property appraising, such as Acceptable topics are those listed in this section or the equivalent as determined by the secretary:

1. Ad valorem taxation;
2. Arbitration, dispute resolution;
3. Courses related to practice of real estate appraisal or consulting;
4. Development cost estimating;
5. Ethics, standards of professional practice, and uniform standards;
(6) Land use planning and zoning;

(7) Real estate litigation, damages, and condemnation;

(8) Management, leasing, and timesharing;

(9) Property development and partial interest;

(10) Real estate law, easements, and legal interest;

(11) Real estate financing and investment;

(12) Real estate appraisal-related computer applications;

(13) Real estate securities and syndication;

(14) Developing opinions of real property value in appraisals that also include personal property and/or business value;

(15) Seller concessions and impact on value; and

(16) Energy efficient items and green building appraisals; and

(17) Valuation bias, fair housing, or equal opportunity.


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

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

20:14:13:05.02. Acceptable distance education courses. An asynchronous distance education course is acceptable if:
(1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor;

(2) Content approval is obtained from the Appraiser Qualifications Board, a state licensing jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or 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. Nonacademic credit college courses provided by a college must be approved by the Appraiser Qualifications Board or the state licensing jurisdiction; and

(3) Course delivery mechanism approval is obtained from one of the following sources:

(A) The Appraiser Qualifications Board;

(B) Appraiser Qualifications Board-approved organizations providing approval of course design and delivery, such as The Appraisal Foundation or other independent approved entity; or

(C) A college that qualifies for content approval in subdivision (2) that awards academic credit for the distance education course; or

(D) A qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity; and

(4) A hybrid course is acceptable if:

(A) In-person courses must meet the class hour time requirement and § 20:14:13:05;

(B) Synchronous course session must meet the class hour time requirement and § 20:14:13:05; or

(C) Asynchronous course sessions must meet the class hour time requirement and §§ 20:14:13:05 and 20:14:13:05.02.
20:14:13:05.03. Distance Asynchronous education -- Continuing education. Distance asynchronous distance education courses intended for use as continuing education must include at least one of the following:

(1) A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Remote proctoring, including bio-metric proctoring procedures, is acceptable; or

(2) Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.

For the purposes of this section, the term, bio-metric proctoring means continually verifying the identity of the student through process, such as facial recognition, consistency in keystroke cadence, or the observation of activity in the testing location.

Source: 32 SDR 109, effective December 27, 2005.
20:14:13:05.04. **Distance education -- Qualifying education.** Distance education courses intended for use as qualifying education must include a written, closed-book final examination. The examination must be proctored in-person or remotely by an official approved by the college or university, or by the sponsoring organization. **Bio-metric proctoring as set forth in § 20:14:13:05.03, is acceptable.**

**Source:** 34 SDR 67, effective September 11, 2007.

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

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

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**CHAPTER 20:14:15**

**APPRAISER EXPERIENCE TRAINING PROGRAM**

Section

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20:14:15:07 Grounds for dismissal from experience training program.

20:14:15:09  Lead and associate trainer requirements.

20:14:15:10  Agreement with department for other institutions to administer an experience training program.

20:14:15:01. Eligibility requirements. To be eligible to enroll in the appraiser experience training program, a candidate shall have a state-registered appraiser credential, which includes completing the educational requirements specified in § 20:14:05:06.01.

Source:

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

Law Implemented: SDCL 36-1B-1

20:14:15:02. Experience training program application. A candidate for the experience training program shall apply in writing on a form provided by the department or institution administering the program. The application shall require the following candidate information:

(1) Name;

(2) Current business or home address, or both;

(3) Email address and telephone number;

(4) Driver’s license number and state of issuance;

(5) Appraiser education completed;

(6) Type of appraiser credential pursued;
(7) Area of the state, in which applicant intends to practice real estate appraisal;

(8) College-level education completed, if any; and

(9) A sworn declaration signed by the applicant.

Source:

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

Law Implemented: SDCL 36-21B-1.

20:14:15:03. Ranking system for candidate selection. The program administrator will review candidates for the experience training program according to the point system below. Candidates with the highest point score will be selected into the program.

(1) Resides in and intends to establish and maintain a real estate appraisal practice in a South Dakota county with a population of 10,000 or less, 35 points;

(2) Currently holds a state-registered appraiser credential, 20 points;

(3) Has completed the applicable education prescribed in § 20:14:15:01, 15 points;

(4) Understands the requirements, including tuition and travel, and must commit to completing the program, 10 points; and

(5) Holds a Bachelor’s degree required for the state-certified general appraiser credential or has the college-level education required for the state-certified residential appraiser credential, as applicable for the desired appraiser credential, 10 points.

Source:
20:14:15:04. Requirements to complete the experience portion of the program. A candidate for the experience training program must complete the hours and months experience required for each credential level as follows:

(1) To achieve the state-licensed appraiser credential, the candidate must obtain 1000 hours of experience the appraisal of noncomplex single-unit residential properties, to be completed in no less than six months.

(2) To achieve the state-certified residential appraiser credential, after completing the requirements of subsection (1), the candidate must obtain an additional 500 hours of experience in the appraisal of complex single-unit residential properties and two-to-four-unit residential properties utilizing all applicable approaches to value, to be completed in no less than six months.

(3) To achieve the state-certified general appraiser credential, after completing the requirements of subsection (1) and (2), the candidate must obtain an additional 1,500 hours of experience in the appraisal of nonresidential, commercial, and agricultural properties utilizing all applicable approaches to value, to be completed in no less than 18 months.

Source:

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

Law Implemented: SDCL 36-21B-1.
20:14:15:05. **Partial experience credit not allowed.** Partial experience credit may not be granted for completing only a portion of the experience training program.

**Source:**

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

**Law Implemented:** SDCL 36-21B-1.

20:14:15:06. **Requirements to complete the education portion of the program.** A candidate for the experience training program must complete the Appraiser Qualification Board’s required qualifying education for the desired credential. The required education may be obtained while enrolled in the experience training program.

**Source:**

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

**Law Implemented:** SDCL 36-21B-1.

20:14:15:07. **Grounds for dismissal from experience training program.** The department or institution administering experience training program may dismiss a candidate for failure to:

(1) Attend all in-person and virtual classroom hours of instruction;

(2) Participate in all field work as prescribed by the lead trainer;

(3) Complete all course assignments as prescribed in the course syllabus; and

(4) Complete the Appraiser Qualification Board-required qualifying education for the desired credential in the timeframe set forth by the institution administering the program.

For an excused absence from an in-person or virtual classroom hours of instruction in subsection (1), the candidate must review the applicable recorded classroom or virtual presentation for the missed hours. For an excused absence for the scheduled field work in subsection (2), the candidate must complete the missed field work independently.

If a candidate is in noncompliance with the course requirements under this section, the lead trainer shall notify the student in writing detailing the candidate’s noncompliance. The lead trainer shall grant the student 30 days to correct the candidates noncompliance to avoid dismissal from the experience training program.

**Source:**

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

**LawImplemented:** SDCL 36-21B-1.
20:14:15:08. Certificate of completion. A certificate of completion will be issued when a candidate has successfully completed the requirements of the experience training program, in the specified timeframe for the desired credential. The certificate must designate the specific appraiser credential that the candidate has achieved by completing the experience training program. The candidate may apply to the department for the specific appraiser credential designated in the certificate.

Source:
General Authority: SDCL 36-21B-3(6)(21).
Law Implemented: SDCL 36-21B-1.

20:14:15:09. Lead and associate trainer requirements. Lead and associate trainers must:

(1) Have the knowledge and experience in the types of appraisal assignments being supervised pursuant to the competency rule of the uniform standards and § 20:14:09:02;

(2) Have sufficient appraisal experience as a state-certified residential or state-certified general appraiser, as determined by the department;

(3) Have been in good standing, for a period of at least five years, in every jurisdiction in which the appraiser is certified;

(4) Have successfully completed, with the requirement of passing the course examination, an education program provided by the department as specified in subdivision 20:14:04:14(4);

(5) Apply for, and be granted, the supervisory appraiser credential;

(6) Maintain the supervisory appraiser credential; and
(7) Submit to a state and federal criminal background investigation.

Source:

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

Law Implemented: SDCL 36-21B-1.

Cross-reference:

Uniform Standards of Professional Appraisal Practice, § 20:14:06:01.


20:14:15:10. Agreement with department for other institutions to administer an experience training program. Any institution seeking to administer an experience training program shall enter into a memorandum of understanding with the department to ensure compliance with this chapter.

Source:

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

Law Implemented: SDCL 36-21B-1.