Wow…summer just flew by. As always, I’m excited for the fall season and renewal time.

The Commission is now under the leadership of Ryan Wordeman who took the gavel from Mark Wahlstrom. Carol Lawhun is serving as vice-chair.

Licensees who need to renew this year will be receiving an email reminding you to go online and renew your license. The renewal and fee must be received no later than November 30, 2019. Renewals received after that date will have to pay a late fee. If you do not renew your license by December 31, 2019 your license will be placed on an inactive status.

All active licensees who carry errors and omissions insurance from Rice Insurance Services Company will be receiving notices to renew your E&O insurance. Even if your license is not due to renew this year, proof that you are current on your E&O insurance coverage needs to be sent to us. If the premium is not paid and the coverage expires, your license will be placed on inactive status.

We receive several phone calls from unlicensed staff at firms requesting information regarding licensees that work at the firm. We need to talk to the licensee themselves. It is their license and they need to call or email us on any changes or questions they have.
Commission Calendar

**Tuesday, October 1st** - Online renewal begins
**Monday, November 11th** - Office closed in observance of Veterans Day
**Wednesday, November 13th** - Commission Meeting
**Thursday, November 28th and Friday, November 29th** - Office closed in observance of Thanksgiving
**Monday, Tuesday, and Wednesday, December 23rd, 24th, and 25th** - Office closed in observance of Christmas
**Tuesday, December 31st** - Renewal deadline
**Wednesday, January 1st** - Office closed in observance of New Year’s Day

Renewal Reminders

⇒ Renewal will open October 1st for all licensees due to renew this year.
⇒ All licensees, active or inactive, that renew this year, need to have their renewal application completed. The application is found on our website.
⇒ All licensees renewing/maintaining active status, must have their errors and omissions insurance as well as continuing education completed prior to December 31st to avoid inactive status.
⇒ Licenses that have not been renewed and/or have updated e/o coverage by December 1st, will be placed on an inactive status.
License Law Update

This past legislative session, the commission has implemented some important changes that took effect July 1, 2019. These updates may affect you and/or your office staff.

The below laws have been added to License Law and Regulation:

Under statute 36-21A-1. Terms used in this chapter mean:

(21) "Team," any two or more licensed persons who work under the supervision of the same responsible broker, work together on real estate transactions to provide real estate brokerage services, who are designated as a team by the responsible broker, and have a team leader designated by the responsible broker;

(22) "Team leader," any person licensed by the commission and designated by his or her responsible broker as the leader for his or her team. A team leader is responsible for supervising the real estate activities of his or her team performed under this chapter, subject to the overall supervision of the responsible broker of the team leader and team members;

Under statute 36-21A-72. A licensee who advertises shall comply with the following:

(2) Each advertisement of a real estate team shall clearly state the name of the brokerage company the team is affiliated with, shall clearly identify the non-licensed individuals included in the advertisement, and may not contain language that would lead the public to believe that the team is offering real estate brokerage services independent of the real estate broker;

Under statute 36-21A-89. The commission may promulgate rules pursuant to chapter 1-26 relating to the administration and enforcement of the provisions of this chapter in the following areas:

(11) Requirements for establishing and maintaining teams and the requirements, duties, and responsibilities of team leaders.

*Please review changes to above statutes to ensure compliance effective July 1, 2019.*
HUD Proposes Significant Changes to Fair Housing “Disparate Impact” Rules

(Used with Permission by ARELLO)

The Department of Housing and Urban Development (HUD) has issued proposed rules that would significantly alter its current standards for establishing Fair Housing Act liability where a challenged policy or practice is neutral "on its face" or unintentional, but nonetheless has a prohibited "discriminatory effect."

The Fair Housing Act (FHA) prohibits discrimination in the sale or rental of housing because of race, color, religion, sex, handicap, familial status, or national origin. The FHA does not specifically address liability based on the discriminatory effects of a policy or practice, but appellate courts in 11 federal judicial circuits have, over time, endorsed the proposition that FHA liability may arise not only from intentional discrimination, but also from practices that have a "disparate impact" on protected persons.

HUD interprets and administratively enforces the FHA and, in 2013, promulgated rules establishing that a practice has a discriminatory effect where it actually or predictably results in a disparate impact on an FHA-protected class or creates, increases, reinforces, or perpetuates segregated housing patterns [24 CFR Part 100]. The rule established a three-part, burden-shifting test under which disparate impact-based FHA claimants must show that a challenged policy caused, or predictably will cause, a discriminatory effect; then the defendant may show that the practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest; upon which showing the plaintiff must establish that the interest could be served by another practice that has a less discriminatory effect.

In many such cases plaintiffs rely, at least in part, on statistical evidence of the discriminatory disparate impact that a challenged practice has on protected persons. For example, in 2016 HUD issued a guidance document warning housing providers (landlords, property managers, etc.) about the potential for FHA-discriminatory effect liability that may arise from making adverse housing decisions, such as refusing to rent or renew a lease, based on an individual's criminal history. The guidance addresses how disparate impact methods of proof (e.g., statistical data regarding criminal justice disparities, housing, applicants, census demographics, etc.) may be used to support such FHA claims.

In 2015 the U.S. Supreme Court decided Inclusive Communities Project, Inc. v. Texas Department of Housing and Community Affairs, et al., a case in which the plaintiff relied on statistical analyses to support allegations that a state housing agency perpetuated segregated housing patterns, and thus violated the FHA, by the manner in which it handled low-income housing tax credits. In a 5-4 decision, the Supreme Court affirmed that disparate impact claims are cognizable under the FHA.
However, HUD's recent rulemaking notice asserts that the Supreme Court decision references, but does not rely on, the current disparate impact rules and presents standards and limitations that should apply to disparate impact cases. HUD says that its proposed rules do not eliminate discriminatory effect/disparate impact as a basis for unintentional FHA discrimination claims, but rather more closely align the rules with the Supreme Court decision.

Among numerous other changes, the proposed rules would clarify available discriminatory effect defenses, require a common law principal-agent relationship for vicarious FHA liability, and adjust the available remedies in federal administrative FHA cases. Notably, the proposed rules would also implement a new five-element test under which FHA plaintiffs (and charging parties) would be required to:

- Plead that a challenged housing policy or practice has a specific, identifiable, discriminatory effect and is "arbitrary, artificial and unnecessary." Only then would the defendant have the burden of identifying a valid interest served by the practice, which may then be rebutted by the plaintiff;
- Allegé a "robust causal link" between the challenged practice and its disparate impact on members of an FHA-protected class, with new standards for the use of statistical disparity data;
- Allegé an adverse effect on members of a protected class as a whole, not just on an adversely impacted plaintiff member of the class;
- Allegé that the challenged disparity caused by the policy or practice is "significant"; and
- Directly caused by the challenged policy or practice (a codification of the FHA's "direct relation" proximate cause requirement).

In a statement, HUD Secretary Ben Carson said, "At the end of the day, this rule not only increases Americans' access to fair and affordable housing, but also permits businesses and local governments to make valid policy choices." However, several advocacy groups such as the Fair Housing Alliance are adamantly opposed to the rules and assert that they are intended to dismantle longstanding fair housing protections and make it more difficult to pursue housing discrimination claims.
### New Licensees
**06.01.19 - 09.01.19**

#### Broker
- Hagelstrom Jr, Harlan
- Punzel, Jason
  - Arvada, CO
  - Naperville, IL
  - Sailor, Dwight
  - Sanders, Timothy
  - Prior Lake, MN
  - Piedmont

#### Broker Associate
- Alexander, Kenneth
- Anderson, Jeffrey
- Avery, Dawn
- Berkey, Richard
- Bryan, Laura
- Burbach, Christina
- Burg, Brandon
- Burke, David
- Calkins, Meghan
- Carmody, Phillip
- Cary, Jack
- Cavanaugh, Scott
- Denief, Richard
- Derschan, Erica
- Diep, Lam
- Eliason, Brian
- Enderby, Nellie
- Eng, Jonathan
- Fawcett, Riley
- Fox, Mary
- Garry, Jerome
- Gass, Kimberly
- Graeb, Brian
- Graeb, Katie
- Halvorson, Amber
- Harvey, Brandon
- Hawkins, Joel
- Headrick, Christian
- Henris, Diana
- Hruska, Angela
- Inhofer, Noah
- Inlay, Katie
- Jensen, Peter
  - Black Hawk
  - Rapid City
  - Rapid City
  - Sioux Falls
  - Sioux Falls
  - Sioux Falls
  - Sioux Falls
  - Rapid City
  - Vermillion
  - Mitchell
  - Spearfish
  - Sioux Falls
  - Sioux Falls
  - Montrose
  - Madison
  - Tea
  - Nunda
  - Spearfish
  - Spearfish
  - Sioux Falls
  - Sioux Falls
  - Tea
  - Rapid City
  - Kimball, Matthew
  - Lewis, Gavin
  - Lewis, Thomas
  - Ling, Darla
  - Luther, Alicia
  - Maeyaert, Dean
  - Miller, Andrew
  - Moore, Jade
  - Oliver, Alicia
  - Olson, Dennis
  - O’Neal, Joseph
  - Preston, Mary
  - Queen, Victoria
  - Reeves, Madison
  - Roth, Julie
  - Salameh, Ramzi
  - Soundy, Alexander
  - Steilen, Annette
  - Sternhagen, Dean
  - Stoks, Elizabeth
  - Suridis, Jerilyn
  - Tellers, April
  - Templeton, Taylor
  - Theisen, Chad
  - Tieszen, Alyssa
  - Timmermans, Nathan
  - VanderHaar, Debra
  - VanderPol, Sara
  - Walker, John
  - Ward, Jason
  - Werning, Jayme
  - Wiseman, Brandy
  - Rapid City
  - Sioux Falls
  - Ellsworth AFB
  - Renner
  - Sioux Falls
  - Gary
  - Sioux Falls
  - Lead
  - Sioux Falls
  - Huron
  - Rapid City
  - Box Elder
  - Windsor, CO
  - Belle Fourche
  - Harrisburg
  - Coralville, IA
  - Sioux Falls
  - Alexandria
  - Tabor
  - Aberdeen
  - Box Elder
  - Sioux Falls
  - Sioux Falls
  - Sioux Falls
  - Sioux Falls
  - Branden
  - Sioux Falls
  - Rapid City
  - Sioux Falls
  - Belle Fourche
  - Hartford
  - Sioux Falls
### New Licensees (Cont.)

#### Property Manager
- Baertsch, Dustin, Rapid City
- Campbell, Andrew, West Fargo, ND
- Donnell, Cynthia, Hot Springs
- Gourneau, Kachiri, Rapid City
- Koopman, Logan, Tea
- Miller, Alicia, Rapid City
- Mogensen, Megan, Sioux City, IA
- Perdue, Joseph, Rapid City
- Schmidt, Cortnee, Lead
- Wilch, David, Sioux City, IA

#### Salesperson
- Cramer, Brian, Sioux Falls
- Gilbertson, Jennifer, West Fargo, ND
- Gordon, Kimberly, Sioux City, IA
- Kuehn, Julie, Brandon
- Musgrave, Amber, Sioux City, IA
- O’Donnell, Clark, Alzada, MT
- Ohlrich, Nathan, Omaha, NE
- Quinn, Nickie, Sioux City, IA
- Ralston, Rhonda, Phoenix, IA
- Wilkison, Laura, Mesa, IA

#### Res. Rental Agent
- Barton, Emma, Vermillion
- Bertelsen, Dakota, Sioux Falls
- Fernandez, Jessica, Sioux Falls
- Graf, Diana, Sioux Falls
- Hinkkanen, Kendra, Sioux Falls
- Jergensen, Gabriel, Sioux Falls
- Lobban, Marlon, Harrisburg
- Moody, Chelsea, Mitchell
- Parisien, Helen, Mobridge
- Roberts, Careen, Sioux Falls
- Stock, Dylan, Sioux Falls
- Todd, Jeffrey, Yankton
- Ward, Shanna, Mitchell
- Young, Michelle, Akron, IA

#### Auctioneer
- Curtis, Donald, Mitchell
- Gran, Brad, Winner

#### Timeshare Agent
- Arch, Anna, Rapid City
- Cayot, Stephanie, Rapid City

#### Reg. Home Inspector
- Bajema, Timothy, Sioux Center, IA
- Comerford, Michael, Custer
- Graham, Jared, Tea
- Hickman, Brian, Sioux City, IA
- Maggart, Jacob, Rapid City
- Slanina, Nicholas, Rapid City
- VandeKop, Jack, Spearfish
Disciplinary Action

The following actions by the Commission have become effective since the last report in the newsletter. A Consent Agreement is an admission of violation and voluntary acceptance of the terms determined by the Commission in lieu of a formal hearing.


◊ Saboin Vifquain, Rapid City, Property Manager. Violation of 36-21A-28. Administrative fine of $1,000.

◊ Angela Munce, Tea, Property Manager. Violation of 36-21A-130. Administrative fine of $200 plus 3 hours of education in Agency.