From The Director

I hope you all are enjoying your summer!

I would like to congratulate Commissioner Mark Wahlstrom who was recently reappointed by Governor Noem to serve another 3-year term.

The renewal deadline of November 30 will be here before you know it for those holding licenses expiring on December 31, 2019. If you have an active license expiring on this date and fail to complete your continuing education and/or fail to have errors and omissions insurance covering you on January 1, 2020, your license will be placed on an inactive status.

Starting July 1, 2019 there will be additional laws added to License Law and Regulation.

The definition of a “team,” as being two or more brokers and a definition of a “team leader,” to be designated by the responsible broker will be added to SDCL 36-21A-1. In SDCL 36-21A-72 the teams need to state clearly the firm they are affiliated with and they need to clearly identify non-licensed individuals if they are included in any advertising. Rule making authority for the commission to regulate teams has been added to 36-21A-89.

A new section will establish certain criteria for the lease of commercial premises as to how a security deposit will be withheld or returned. It mirrors SDCL 43-32-24, which applies to residential leases, but gives the commercial lessor more time to return the security deposit or provide an itemized accounting of any deposit withheld.

More details are in this newsletter.

I wish you all a successful summer season!
**Commission Calendar**

**Thursday, July 4th** - Office closed in observance of Independence Day  
**Wednesday, July 10th** - Commission Meeting  
**Monday, September 2nd** - Office closed in observance of Labor Day  
**Wednesday, September 11th or Thursday, September 12th** - Commission Meeting

**Renewal Reminders**

⇒ June 30th is the last day to renew your license from the 2018 renewal period before your license becomes non-renewal.  
⇒ Effective January 1st, 2019 - all newly licensed property managers are required to complete 30 required hours of continuing education by their first renewal.  
⇒ All licensees, active or inactive, that renew this year, need to have their renewal application completed. The application is found on our website. Failure in completing the application prior to December 31st, may result in your license going on non-renewal status.  
⇒ All licensees renewing/maintaining active status, must have their errors and omissions insurance as well as continuing education completed prior to December 31st. Failure to comply, may result in your license going on inactive status.  
⇒ The office will be emailing a reminder notice for renewal around mid September. Now would be a good time to login online and make sure we have your correct email listed.

**License Law Update**

This past legislative session, the commission has implemented some important changes that will take 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.*
NAR Launches REALTOR® Safety Network
(Used with Permission by ARELLO)

In the face of continuing reports of attempted and committed crimes against its members and state and local associations, the National Association of REALTORS® recently launched a network that will gather and share information about potential safety issues and, when appropriate, issue nationwide alerts.

According to its Realtor® Safety Network webpage, NAR "will deploy REALTOR® Safety Alerts via social media when a physical or cyberthreat to REALTORS® warrants national attention." NAR's REALTOR® Safety Network Policy further explains that events considered for such an alert will include "a widespread threat of some type affecting REALTORS®," a "REALTOR® or the immediate family member of a REALTOR® is missing and there is an open police investigation and the family seeks NAR's assistance in publicizing the incident," or "NAR learns that the association name or the names of its programs are being used fraudulently through a phishing scheme to attempt to collect money or information from REALTORS® or others."

Using an online form, NAR members and association executives (AEs) can notify it about potential safety issues. According to the Policy, "For reports about assaults against REALTORS® and missing persons, NAR requires basic details about the case (who, what, when, and where) and the name and contact information for law enforcement. For reports of phishing scams, NAR requires a copy of the email or web page that is using NAR's name or the name of its programs fraudulently." The safety alert webpage also explains that a NAR response team will evaluate submissions to confirm that they meet the safety alert criteria.

According to the Policy, safety alerts will not be issued for incidents not tied to a REALTOR®'s work situation, such as domestic violence reports; missing persons reports in which the family doesn't want NAR to issue an alert; reports of potential hazards that are local in nature, in which case NAR will reach out to ensure the local association has the information to issue an alert locally, if appropriate; missing pet reports; complaints about the behavior of REALTORS® in the line of work; general concerns about community safety; and others.

Nationwide NAR safety alerts will be issued "via Facebook.com/nardotrealtor and other main social channels, as well as to Communications Directors and AEs through their closed Facebook groups." The Policy also provides guidelines for alert content and indicates that "NAR does not include names of suspects/perpetrators unless those persons are named in a law enforcement document related to the incident. If there's a local police website or news report that provides more detail, a link to that information is included."
Mortgage Brokers Call for Protected Status for Veterans
(Used with Permission by ARELLO)

The National Association of Mortgage Brokers (NAMB) recently issued an announcement calling for its members, and members of the public, to support efforts to amend the U.S. Fair Housing Act and Equal Credit Opportunity Act to include military veterans as a protected classification.

As summarized by the U.S. Department of Housing and Urban Development, the Fair Housing Act (FHA) "protects people from discrimination when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities." The FHA protections apply to housing discrimination because of race, color, national origin, religion, sex, familial status and disability. Most types of housing are covered by the law, but in very limited circumstances it exempts "owner-occupied buildings with no more than four units, single-family houses sold or rented by the owner without the use of an agent, and housing operated by religious organizations and private clubs that limit occupancy to members." The Equal Credit Opportunity Act (ECOA) reaches any aspect of a transaction extending credit and prohibits discrimination based on race, color, religion, national origin, sex, marital status, age, and the receipt of public assistance income.

In its recent press release NAMB said, "Currently, when seeking to apply for a mortgage, veterans utilizing their VA housing benefits, are faced with those in the market place that discriminated [sic] against them." The press release does not provide specific examples but, according to various advocacy organizations, discrimination against veterans can involve a variety of circumstances, such as: misunderstandings about military income and benefits, and military voucher programs used by veterans to pay for housing; fears that active service members may be called to duty during the term of a lease; stereotypical notions about active service members, and combat veterans in particular; fear of complications associated with Veterans Administration (VA) loans, etc. And, while the provisions of the FHA and ECOA certainly apply to veterans who are otherwise members of protected classes under those laws, advocates say that special veteran protections are needed.

Consequently, NAMB argues that Congress should amend the FHA and ECOA to:

- "Expand the protected classes to include veteran status;
- No private right of action to enforce these provisions;
- Prohibit any person [from taking] the status of being a veteran into account in connection with the evaluation of creditworthiness of an applicant or acceptance of a home purchase contract."

NAMB also applauded states that "have this protection today: Massachusetts, Indiana, Illinois, Washington, Ohio, [and] New York. In addition, California is considering veterans protections in the rental market." NAMB President Richard Bettencourt said, "The [f]ederal government should implement a [f]ederal statute protecting veterans claiming their VA housing benefits. Veterans and their families sacrifice each and every day to ensure the American way of life continues and it is a small gesture for Congress to amend these current laws so those who pave the way for all Americans to live wonderful lives, don’t have to experience unneeded discrimination."
Mortgage Brokers Call for Protected Status for Veterans (Cont.)

While the FHA does not currently cover veterans, many state, county and municipal laws and ordinances do so, at least by prohibiting housing discrimination through “source of income” provisions that protect those utilizing veterans benefits or public assistance programs to pay for housing.
New Licensees

Broker

Brewer, Emily  
England, Brad  
Fasteen, Terry  
Fitzgerald, John  
Jacob, Joshua  
Jeffrey, Melinda  
Johnson, Mark  
Osborn, Steven  
Pelant, Jennifer  
Sargent, Clint  
Schumacher, Savannah  
Wietgrefe, Luke  
Zimmerman, Kristen  

Broker Associate

Althoff, Dana  
Althoff, Scott  
Arnett, Laura  
Beeson, Teri  
Bjorum, Brittni  
Bosworth-Frevert, Cassi  
Burton, Trevor  
Doorn, Case  
Dupont, Alicen  
Entringer, Dean  
Foster, Christine  
Foxhoven, Kayla  
Gasper, Johnathan  
Gold, MarkKay  
Gravning II, Wesley  
Gray, Jana  
Hartung, Shane  
Hudson, John  
Hughes, Melanie  
Klein, Lisa  
Maddock, William  
Madsen, Stacey  
Mahoney, Megan  
Martin, Benjamin  
Martinez-Manigold, Benjamin  
Masloski, Jolene  
Muffat, Marnie  
Muldoon, Chase  
Nelsen, Nicholas  
Parkin, Tsenduren  
Patton, Thomas  
Pelletier, Shelly  
Raftevold, Casey  
Richards, Charles  
Ronning, Kristofer  
Simons, Taylor  
Smith, Gregory  
Smith, Jessica  
Smith, Sandra  
Steinke, Steven  
Stettnichs, Jacob  
Stoks, Elizabeth  
Talmazan, Maria  
Ternes, Bobbi  
Tschetter, Jennifer  
Vangraefschepel, Sara  
Vix, Wesley  
Wright, CJ  

Locations:

Dakota City, NE  
Minneapolis, MN  
Helena, MT  
Rapid City  
Laderan Ranch, CA  
Silesia, MT  
Kilgore, NE  
Norfolk, NE  
Hugo, MN  
Sioux Falls  
Brookings  
Aberdeen  
Manhattan  
Beach, CA
**New Licensees (Cont.)**

### Property Manager
- Atwood, Sea
- Backous, Richard
- Berard, Kerri
- Brown, Cassandra
- Cozzetti, Marta
- Harms, Stephanie
- Harris, Amy
- Irvine, Krista
- Johnson, Lisa
- Nikodym, Adam
- Schnider, Jessica
- Aberdeen
- Madison
- Piedmont
- Nisland
- Rapid City
- Estelline
- Sioux Falls
- Obert, NE
- Sioux Falls
- Sioux Falls
- Rapid City
- Washington, Demetrius
- Wehrkamp, Stephanie
- Weiss, Jeffrey
- Sioux Falls
- Sioux Falls
- Montevideo,

### Salesperson
- Anderson, Gina
- Bruere, Stephen
- Conover, Dawn
- Erickson, Christopher
- Erickson, Kelsey
- Hill, Austin
- Hiltunen, Megan
- Madsen, Nickolas
- McLeish, Denese
- Patrick, Shirley
- Taylor, Crystal
- Taylor, Glenn
- Dakota City, NE
- Norwalk, IA
- Sioux Falls
- Bismarck, ND
- Moorhead, MN
- Bismarck, ND
- Wayne, NE
- Sioux City, IA
- Mandal, ND
- Sioux City, IA
- Rapid City
- Lexington, KY

### Res. Rental Agent
- Bannwarth, Heather
- Boone, Rachel
- Worthy, Allie
- Brandon
- Spearfish
- Aberdeen
- Washington, Demetrius
- Wehrkamp, Stephanie
- Weiss, Jeffrey
- Sioux Falls
- Sioux Falls
- Montevideo,

### Lic. Home Inspector
- Haberer, Carney
- Aberdeen

### Reg. Home Inspector
- Brown, King
- Cameron, Scott
- Engelmann, Brett
- Hall, Carl
- Ourada, Anthony
- Peterson, Andrew
- Podoll, Christopher
- Nisland
- Custer
- Miller
- Hot Springs
- Sioux Falls
- Brookings
- Columbia
- Lowderman, Cody
- Macomb, IL

### Auctioneer
- Cunningham Jr, Zoltan
- Rapid City

### Timeshare Agent
**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.

- Lisa Daugherty (Blaalid), Yankton, Broker. Violation of 36-21A-71(6) and 36-21A-7. Administrative fine of $1,500 and license suspended for one year.

Failure to maintain errors and omission insurance or to provide proper notification to the commission of errors and omissions insurance (SDCL 36-21A-119, ARSD 20:69:15:02, 20:69:15:06, 20:69:15:07)

- Scott Dougherty Broker Associate Sioux Falls

Performing real estate brokerage activity beyond the month in which a license lapses for non-payment of renewal fees, and/or not filing/completing the required continuing education (SDCL 36-21A-61, 36-21A-62, 36-21A-64)

- Saboin Vifquain Property Manager Rapid City

Failure to register a place of business or failure to report a change of location of a business (SDCL 36-21A-52)

- Kathryn Barber Broker Aberdeen