

State of South Dakota

EIGHTIETH SESSION
LEGISLATIVE ASSEMBLY, 2005

733L0476

SENATE BILL NO. 82

Introduced by: Senators Kelly, Broderick, Koetzle, McCracken, Moore, Napoli, Olson (Ed), Peterson (Jim), and Sutton (Dan) and Representatives Michels, Cutler, Elliott, Frost, Hennies, Howie, Hunt, Murschel, O'Brien, Pederson (Gordon), Sebert, and Wick

1 FOR AN ACT ENTITLED, An Act to permit a real estate broker to appoint agents within an
2 office to represent separate parties to a real estate transaction.

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

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

6 A real estate brokerage entering into an agency agreement may, through the responsible
7 broker, appoint to the client those licensees affiliated with the brokerage who will act as
8 appointed agents of that client to the exclusion of all other licensees affiliated with the
9 brokerage. The appointment shall be in writing. A responsible broker is not a limited agent
10 solely because the broker makes an appointment pursuant to this section. However, any licensee
11 who personally represents both the seller and buyer or both the landlord and tenant in a
12 particular transaction is a limited agent and shall comply with the provisions governing limited
13 agents.

14 When an agent is appointed pursuant to this section, each client, the real estate brokerage,



1 and any appointed licensee is considered to possess only actual knowledge and information.
2 There is no imputation of knowledge or information by operation of law among or between the
3 client, the real estate brokerage, and the appointed agent.

4 The commission shall promulgate rules pursuant to chapter 1-26 to establish appointed agent
5 procedures regarding disclosure and confidentiality.