

20:77:07:03. Grounds for disciplinary action. The grounds for disciplinary action are:

- (1) Prohibiting an appraiser from reporting the fee paid to the appraiser in the body of the appraisal report. However, a registered appraisal management company may require an appraiser to present any such disclosure in a specified format and location;
- (2) Using an appraisal report submitted by an independent appraiser, or any data or information contained therein, for any purpose other than its intended use without the appraiser's or the intended end user's written consent, except as necessary to comply with regulatory mandates or legal requirements;
- (3) Failing to meet the requirements for registration established pursuant to this article;
- (4) Procuring or attempting to procure registration under this article by knowingly making a false statement, submitting false information, or making a material misrepresentation in an application filed with the department or procuring or attempting to procure a registration through fraud or misrepresentation;
- (5) Paying money or other valuable consideration other than the fees provided for by this article to any employee of the department to procure a registration;
- (6) Any act which constitutes dishonesty, fraud, or misrepresentation;
- (7) Having the designated officer or a controlling person pleading guilty or nolo contendere to or being found guilty of a felony; pleading guilty or nolo contendere to or being convicted of a misdemeanor involving mortgage lending or real estate appraising; or having committed an offense involving breach of trust, moral turpitude, fraudulent or dishonest dealings;
- (8) Having the designated officer or a controlling person, who is registered, licensed, or certified as an appraiser in this state or another state or jurisdiction, disciplined with suspension, denial, censure, reprimand, voluntary surrender in lieu of disciplinary action, or revocation of the certificate or license;
- (9) Having disciplinary action of the designated officer or a controlling person by any agency of the State of South Dakota or another state or jurisdiction;
- (10) Being permanently or temporarily prohibited by a court of competent jurisdiction from engaging in or continuing to conduct any practice involving appraisal management services or operating an appraisal management company;
- (11) Violating any provision of this article or SDCL chapter 36-21D;
- (12) Being disciplined with suspension, denial, censure, reprimand, or revocation of a registration by another state or jurisdiction;
- (13) Submitting fraudulent documents to another state or jurisdiction to become registered;
- (14) Being disciplined by any agency of the federal government, State of South Dakota, or another state or jurisdiction;

(15) Failing to comply with a final order of the secretary;

(16) Voluntary surrender of a registration in lieu of disciplinary action by another state or jurisdiction;

(17) Altering, modifying, or otherwise changing a completed requested appraisal report without written consent from the utilized appraiser who prepared the appraisal report; or

(18) Being sanctioned for failing to compensate utilized appraisers, who complete appraisal assignments on properties located within the State of South Dakota, with reasonable and customary fees as required by TILA.

Source: 38 SDR 40, effective September 20, 2011.

General Authority: SDCL 36-21D-4(7)

Law Implemented: SDCL 36-21D-1, 36-21D-4(7), 36-21D-10.

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