

FORM 6
See SDCL 1-26-4.1

Department of Labor and Regulation
Appraiser Certification Program
Notice of Public Hearing to Adopt Rules

A public hearing will be held in the Appraiser Certification Program Conference Room, 308 South Pierre Street, Pierre, South Dakota, on May 8, 2015, at 10:00 a.m., to consider the adoption and amendment of proposed rules numbered

§§ 20:14:04:05; 20:14:04:14; 20:14:04:17; 20:14:05:01.02;
20:14:05:06.01; 20:14:05:06.02; 20:14:07:01; 20:14:07:02;
20:14:10:01; 20:14:10:02; 20:14:10:05; 20:14:11:02; 20:14:11:03;
20:14:12:02; and 20:14:13:01.01, inclusive.

The effect of the rules will be to update the threshold level of the National Credit Union and revise the format of the citations for the Federal regulations for the Office of the Comptroller of the Currency (OCC); Federal Deposit Insurance Corporation (FDIC) and the Board of Governors of the Federal Reserve System (Fed) threshold levels; require three years of experience as a South Dakota reciprocal appraiser in order to be a supervisory appraiser; require a supervisory appraiser to sign the certification; add a provision for limited exemption of qualifications for candidates for appraiser licensing, certification or registration called to active duty in the military; eliminate appraiser education rules that have effective dates through June 30, 2014 and December 31, 2014; require applicants for state-registered appraiser classification to complete a Department training program prior to issuance of the registration; require retention of additional records by appraisers; increase application, temporary practice, renewal and upgrade fees for licensed and certified appraiser classifications; add probation and limit of scope of practice to the disciplinary actions permitted; clarify when filing a complaint against another appraiser rises to the level of violation of the rules; change 'state of domicile' to 'home state' for reciprocal applicants; and require continuing education for reciprocal licensees that move to South Dakota.

The reason for adopting the proposed rules is to update the threshold level for the National Credit Union and use the correct format for the citations for the Federal regulations of the OCC, FDIC and the Fed; comply with the Appraiser Qualifications Board Real Property Appraiser Qualification Criteria (AQB) for supervisory appraisers; correctly require a supervisory appraiser to sign the certification instead of the appraisal report; comply with the AQB criteria allowing limited exemptions for qualifications for appraiser candidates that are called to active military duty; eliminate the segmented effective dates which are no longer relevant for implementation of the new AQB requirements; comply with the AQB criteria to require issuance of a state-registered appraiser certificate only after completion of the Department training program; further define documents that appraisers must retain in the workfile and make available to the Department upon request; raise certain fees to avoid a

shortage of operating funds in order to maintain an appraiser regulatory program that complies with Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989; to grant the Secretary the authority to order probation and/or limit the scope of practice as permitted disciplinary actions; clarify the grounds for disciplinary action involving falsely alleging violations of the rules in a complaint filed against another appraiser; comply with the Appraisal Subcommittee's findings that the rules for reciprocal licensure should be amended by changing 'state of domicile' to 'home state' and for consistency throughout; and confirm that a reciprocal appraiser moving into the State is no longer considered a reciprocal appraiser and is obligated to comply with the continuing education requirements.

Persons interested in presenting data, opinions, and arguments for or against the proposed rules may do so by appearing in person at the hearing or by sending them to the South Dakota Department of Labor and Regulation, Appraiser Certification Program, 308 South Pierre Street, Pierre, South Dakota 57501. Material sent by mail must reach the Department of Labor and Regulation by May 7, 2015 to be considered. The Department will keep the comment period open until 5:00 p.m. on May 18, 2015 for written comments.

After the hearing, the Department will consider all written and oral comments it receives on the proposed rules. The Department may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

Notice is further given to individuals with disabilities that this hearing is being held in a physically accessible place. Please notify the Department of Labor and Regulation at least 48 hours before the public hearing if you have special needs for which special arrangements must be made. The telephone number for making special arrangements is (605) 773-4608.

Copies of the proposed rules may be obtained without charge from the
South Dakota Department of Labor and Regulation
Appraiser Certification Program
308 South Pierre Street
Pierre, South Dakota 57501

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