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COURSE SUPPORT DOCUMENT



South Dakota Prelicensing Course for Broker Associates

Table of Contents

Session 1: South Dakota Real Estate Commission	2
Session 2: Unprofessional Acts and Discipline.....	9
Session 3: The Disciplinary Process.....	22
Session 4 - Applying for Licensure	41
Session 5 - License Maintenance	60
Session 6 – Brokerage Duties and Relationships	83
Session 7 - Agreements, Contracts, & Disclosures	104
Session 8 - – Sales Transaction Process	122
Glossary.....	149

SD Licensing and License Sessions

Session 1: South Dakota Real Estate Commission

As defined by South Dakota Codified Laws (SDCL) and Administrative Rules of South Dakota (ARSD) Regulated by the Commission; Chapter 36-21A - Real Estate Licensing and Article 20:69 - Real Estate Brokers and Salespersons Respectively

Learning Objectives

- Understand purpose of the South Dakota Real Estate Commission
- Explain how the Commission board members are appointed and required member qualifications
- Identify the Commission business procedures
- Discuss the Commissions powers and duties,
- Recognize the state laws that govern the Commission

Content

1. Related Key Terms & Definitions

- Commission
- SDREC
- Licensee
- Person
- Real Estate / Reality
- Public
- Quorum

2. Introduction to SD Commission

The Real Estate Commission is a regulatory body charged with administering the Real Estate Licensing Act, the Timeshare Act, the Condominium Act and the Subdivision Act.

The mission of the Real Estate Commission is to protect the interest of the public when engaged in a real estate transaction. It is the Commission's responsibility to enforce standards for education, licensing and practice of real estate brokers, salespersons, auctioneers, property managers, residential rental agents, timeshare agents and home inspectors, and for registration of condominium, timeshare and subdivision projects.

3. Mission - Commission Continued within Department of Labor & Regulation 36-21A-16

a. Records and Reports

The Commission shall be an adjunct of the Department of Labor and Regulation, and shall retain all its prescribed functions, including administrative functions. The Commission shall submit such records, information and reports in the form and at such times as required by the secretary of labor and regulation. However, the Commission shall report at least annually.

4. Real Estate Commission Composition 36-21A-13

There is created a South Dakota Real Estate Commission. The Commission consists of five members appointed by the Governor. The members may not all be of the same political party. Three members shall be active real estate brokers; two shall be members of the public.

a. & b. **Terms of Commission Members—Vacancies 36-21A-14**

Each member of the Commission shall be appointed for a term of three years. Any member appointed to the Commission prior to July 1, 2005, shall serve the four-year term to which the member was originally appointed.

Any member appointed to the Commission after July 1, 2005, shall serve a three-year term. No member may serve more than three consecutive full terms. Any member appointed to fill a vacancy arising during a Commissioner's term shall serve for the unexpired portion of the term. The appointment to an unexpired term is not considered a full term.

c. **Compensation and Expenses of Commission Members 36-21A-23**

The compensation and reimbursement of expenses provided by law for members of the commission shall be paid from the funds of the commission.

5. Executive Director 36-21A-18 through 36-21A-20

a. Duties

The commission shall employ an executive director who shall perform the following duties:

- (1) Keep a record of all proceedings, transactions, communications and official acts of the commission;
 - (2) Be custodian of all moneys received;
 - (3) Deposit all moneys in depositories designated by the commission;
 - (4) Be custodian of all records of the commission; and
 - (5) Such other duties as the commission may require.
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Salary of executive director--Employment of other personnel--Expenditures

The commission may fix the salary of the executive director in accordance with chapter 3-6A, employ other employees as may be necessary to carry out the provisions of this chapter, fix salaries and prescribe the duties of its employees and make other expenditures necessary to carry out the provisions of this chapter.

b. Records and Property Maintained

Office of executive director--Records and property maintained. The location of the office of the executive director shall be at such places within the state as the commission may designate.

The commission shall maintain all of its files, records, and property at the office of the executive director.

6. Meetings of Commission 36-21A-21

The Commission shall meet annually and at other times upon call by the executive director, chairperson, or upon a written request of three or more members of the Commission. The place of meeting of the Commission shall be at the office of the executive director or other places within South Dakota as designated by the Commission

a. Quorum of Commission 36-21A-15

A majority of the Commission, in meetings duly assembled, may perform and exercise all of the duties and powers of the Commission. Actions of the Commission shall be taken upon a majority vote of those members present.

b. Actions Alternatives 20:69:02:02 Commission action.

The Commission may take any action by a mail ballot or by a conference telephone call. In case of a conference telephone call, the executive director shall participate in the call and take minutes of the Commission action. In case of a mail ballot, the results of the mail ballot shall be included in the minutes. A mail ballot or conference telephone call is a meeting of the Commission.

7. Real Estate Courses and Institutes Conducted by Commission 36-21A-24

The commission may conduct, hold or assist in conducting or holding real estate courses or institutes, and incur and pay the necessary expenses in connection therewith, which courses or institutes shall be open to the licensees. The commission may charge a reasonable fee for such courses and institutes.

8. Assistance Provided to Libraries, Licensees, Institutes and Foundations 36-21A-25

The commission may assist libraries, licensees, institutes and foundations, with financial aid or otherwise, in providing texts, sponsoring studies, surveys and programs for the benefit of the real estate business and the elevation of the real estate business

9. List of Licensees and Other Information To Be Available 36-21A-26

The Executive Director of the Commission shall make available a list of the names and addresses of all persons licensed by the Commission under the provisions of this chapter, together with such other information relative to the enforcement of the provisions of this chapter as the Commission determines to be of interest to the public. The Commission may charge a reasonable fee to persons who request the list

10. Review the Main Points

A. What is the purpose of Commission’s mission?

B. List the 9 primary responsibilities

C. Describe the makeup of Commission board members

D. Identify the Commission business procedures

E. Explain the Commission Meeting Procedures

F. Analyze the Commission's other obligations & contributions
