

November 16, 2021

Secretary Marcia Hultman
South Dakota Department of Labor & Regulation
123 West Missouri Avenue
Pierre, South Dakota 57501

VIA Electronic Mail Only

Dear Secretary Hultman:

I am writing you today to express my disappointment and anger that my good name and professional reputation continue to be damaged by questions and misinformation concerning the Appraiser Certification Program. I had hoped that the Legislature's Government Operations and Audit Committee (GOAC) would put a stop to this at their October 28 hearing, but instead it seems the questions won't stop until every aspect of my long and difficult path to certification is made public. I am proud that I was able to complete the certification under the stringent standards established by the Program.

After the GOAC has met again and taken the action they have taken, it is clear that none of this will stop until my reputation and that of my young family are destroyed. I have thought quite a lot about what is best for me, my business, and most importantly, my family. The entire inquiry and media pressure have done irreparable damage to my business. I'm angry and I can acknowledge that this has successfully destroyed my business. My business is finished and the years I spent working to become licensed amount to nothing. So, I've decided that I will no longer accept new appraisal orders and will wrap up the few pending orders I do have. I will plan to turn in my license and dissolve my business by the end of the year.

I know as the Governor's daughter I am always going to be in the public eye. I can't stop these attacks, but I can choose whether to keep being hurt by the fallout.

I understand the GOAC has voted in favor of subpoenaing the Department of Labor for the release of my licensing document. I appreciate that the Department has taken the position it has since releasing my document would violate state law. Anyone who is licensed by the state should be outraged by what the Committee is trying to do. That said, after my decision to turn in my license, I have nothing left to fight for nor hide.

I am copying Senator Schoenfish as Chair of the GOAC ; Representative Gosch and Senator Schoenbeck as Chair and Vice-Chair of the Executive Board; and the Governor's office with this letter along with the Stipulation and Agreement I signed with the Department of Labor so that this is all fully divulged. With this letter I am authorizing all recipients to publicly release the document without the need for review in a confidential setting. At least then some good might come from all of this, and I can show everyone that I did exactly what was asked of me in order to get my license.

Please let the program staff know about my intent to turn in my license. Thank you.

Sincerely,



Kassidy Peters

Cc: Senator Schoenfish
Representative Gosch
Senator Schoenbeck
Governor's Office

STATE OF SOUTH DAKOTA
DEPARTMENT OF LABOR AND REGULATION
APPRAISER CERTIFICATION PROGRAM

AUG - 0 2020

AUG - 7 2020

IN THE MATTER OF

KASSIDY PETERS,
Applicant

UPGRADE APPLICANT

CASE # 19-596

CERTIFICATE NO 1484SR-2020

STIPULATION AGREEMENT

COMES NOW the parties to this Agreement, the upgrade applicant Kassidy Peters (hereinafter known as "Peters"), and Amber L. Mulder, representing the Department of Labor and Regulation, Appraiser Certification Program (hereinafter known as "Department") concerning the application for State-Certified Residential Appraiser, Upgrade Applicant Case #19-596.

The Department and Peters agree to the following terms and conditions:

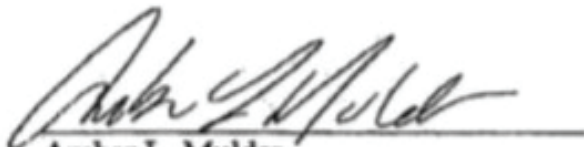
- A. Peters will comply with all laws and regulations relating to her profession under SDCL chapter 36-21B and ARSD article 20:14.
- B. Peters will successfully complete within six (6) months from the date of this fully executed Consent Agreement, the following classroom courses:
 - 1) Advanced Residential Applications and Case Studies/Part 1 (15 hours)
 - 2) Advanced Residential Report Writing/Part 2 (30 hours)

Successful completion of the courses includes passing each course examination. Upon written request of Kassidy Peters, the Secretary may grant a reasonable extension to complete the required education.

For purposes of this Agreement "classroom" is defined as a class offered in the traditional classroom setting with the instructor and a body of students present in the room. Distance education, pursuant to ARSD 20:14:01:01(11), is defined as any education process based on the geographical separation of student and instructor.

- C. Peters shall re-submit the three (3) appraisals that were initially submitted for the upgrade review.
- 1) After completing the courses as prescribed above, the reports shall be corrected and re-written, signed, complete appraisal reports prepared in conformance with the Uniform Standards of Professional Appraisal Practice and the ARSD 20:14.
 - 2) The corrected and re-written reports shall be identified as Demonstration Reports prepared for the Appraiser Certification Program identified as the client and intended user.
 - 3) The reports shall be true and correct copies of the signed, complete appraisal(s) and all supporting documentation pertinent to the appraisal(s), which includes the documentation necessary to support an appraiser's analysis, opinions and conclusions (also known as the "workfile" as defined in the uniform standards), is required to be submitted.
 - 4) The attached Statement of Submission of Documents must be returned along with the requested appraisals and supporting documents.
- D. Peters understands that if she successfully completes all of the above terms and conditions her application for State-Certified Residential Appraiser Certificate will be approved by the Department.
- E. Peters understands that if the review of the appraisal reports reveal noncompliance with the Uniform Standards of Professional Appraisal Practice, which would warrant a denial of Peters' application, the Department will issue an Order to Deny Your Application for State-Certified Residential Appraiser Certificate and a hearing will be set upon written request.

Dated this 5th day of 08, 2020



Amber L. Mulder
Special Assistant Attorney General
Department of Labor and Regulation
123 West Missouri Avenue
Pierre, South Dakota 57501



Kassidy Peters, Applicant

November 16, 2021

Sent by Electronic Mail Only

Representative Spencer Gosch
Senator Kyle Schoenfish
Legislative Research Council
Capitol Building, 3rd Floor
500 East Capitol Avenue
Pierre, SD 57501

Dear Speaker Gosch and Chairman Schoenfish,

As you know, the Government Operations and Audit Committee (GOAC) passed a motion at its November 15 meeting approving a subpoena requiring me to produce a copy of the "agreed disposition between Cassidy Peters and the Appraiser Certification Program..." As I pointed out in my letter (attached) to Chairman Schoenfish dated November 12, 2021, the Department opposed producing the document for general inspection by the Committee. This was due principally to the likelihood of damage to Ms. Peters' professional reputation, as acknowledged by the Office of Hearing Examiners in its decisions earlier this year. Through her attorney's letter you received earlier today, Ms. Peters has now voluntarily released her agreed disposition to the public, and you both have received a copy of that document.

Under SDCL § 2-6-4, the Legislature's Executive Board must ratify any GOAC subpoena before it may issue. As Ms. Peters has now released the document herself, the issue of a subpoena to the Department is in my view moot. I would therefore ask the Executive Board to decline to ratify GOAC's request for a subpoena and dismiss the matter from further action. At the same time, I would also like to place a few additional and important comments into the record alongside the agreement you received earlier today.

First, I would like to emphasize I testified on October 28 that the Department had a plan before the July 27, 2020, meeting for how to allow Ms. Peters a path forward. I specifically called this a "possible plan forward" during my testimony to the Committee. I noted we discussed this possible plan forward with Ms. Peters at the end of the July 27, 2020, meeting. I encourage you and Committee members to review a copy of the audio of the hearing; my testimony on this point is clear and occurs at 29 minutes and 15 seconds into the hearing.

In the two weeks since my testimony, Associated Press reporter Stephen Groves has written news reports to give the impression I testified at the hearing that there was an

agreement in place *with Ms. Peters before* the hearing. That is inaccurate and a false narrative created by Mr. Groves. My hearing testimony clearly demonstrates as much.

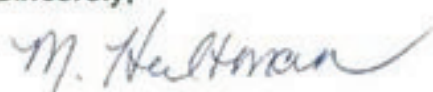
The day after my October 28 testimony, I sent Chairman Schoenfish a letter clarifying two points from my testimony: 1) that sometimes Amber Mulder, as attorney for the Department, signed agreements with appraisers seeking upgrades and needing to achieve certain requirements to be upgraded; and 2) that there were three appraisers, including Ms. Peters, who entered into similar agreements with the state, and that those three occurred over the last few years, rather than the last year. As that letter was not previously posted to the Committee's website, I am attaching a copy of that letter for your reference.

It did not even occur to me in my letter to Chairman Schoenfish to address when the actual agreement was signed because I never remotely gave the impression during my October 28 testimony that this agreement was signed *before* the July 27 meeting. Any misunderstanding to the contrary was drummed up by a false narrative created by Stephen Groves for purposes of driving clicks.

As you can see from the document Ms. Peters released earlier today, the agreement the Department of Labor and Regulation reached with her set out certain parameters she needed to meet in order to be designated a state-certified residential appraiser. If she did not accomplish what was set out, the Department retained the right to reject her upgrade under the terms of the agreement. This agreement was similar to other agreements reached with other appraisers, as described above. As this information is supposed to remain confidential according to state law, I will not name those other appraisers. This expectation of confidentiality is how it should have been as to the agreement with Ms. Peters, as well. Unfortunately, the stories circulating in relation to GOAC's inquiry, based largely on innuendo and a selective reading of the record, have distracted the Committee and the public from the fact that Ms. Peters followed through and met the additional conditions placed on her and ultimately received her license.

I trust this additional information will be helpful to the Executive Board and GOAC. Again, as the Committee's subpoena sought information now publicly available, it would be my view the issue of a subpoena is moot and would ask it be formally dismissed at tomorrow's Executive Board meeting.

Sincerely,



Marcia Hultman
Cabinet Secretary

Attachments: 2021_10_29_GOAC_Response.pdf
2021_11_12_GOAC_Response.pdf