

(f) conduct a continuing study and investigation of nursing homes, and the administrators of nursing homes within the state, with a view to the improvement of the standards imposed for the licensing of administrators and improvement of the procedures and methods used for enforcement of the board's standards; and

(g) approve or conduct courses of instruction or training designed to prepare individuals for licensing in accordance with the board's standards. Courses designed to meet license renewal requirements shall be designed solely to improve professional skills and shall not include classroom attendance requirements exceeding 50 hours per year. The board may approve courses conducted within or without this state.

Sec. 5. [144A.252] IMMUNITY.

Members of the board of examiners for nursing home administrators and persons employed by the board or engaged in the investigation of violations and in the preparation and management of charges of violations of sections 144A.18 to 144A.27, or of rules adopted pursuant to sections 144A.18 to 144A.27 on behalf of the board, are immune from civil liability and criminal prosecution for any actions, transactions, or publication in execution of, or relating to, their duties under sections 144A.18 to 144A.27 provided they are acting in good faith.

Sec. 6. Minnesota Statutes 1998, section 144A.27, is amended to read:

144A.27 ACTING ADMINISTRATORS.

If a licensed nursing home administrator is removed from the position by death or other unexpected cause, the controlling persons of the nursing home suffering the removal may designate an acting nursing home administrator who shall secure an acting administrator's license permit within 30 days of appointment as the acting administrator.

Sec. 7. REPEALER.

Minnesota Statutes 1998, sections 144A.19, subdivision 3; 144A.20, subdivision 2; and 144A.29, are repealed.

Sec. 8. EFFECTIVE DATE.

Sections 1 to 7 are effective the day following final enactment.

Presented to the governor April 22, 1999

Signed by the governor April 26, 1999, 1:20 p.m.

CHAPTER 103—S.F.No. 832

An act relating to securities regulation; making changes applicable to securities registered under the small company offering registration; amending Minnesota Statutes 1998, section 80A.115, subdivisions 4 and 9.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1998, section 80A.115, subdivision 4, is amended to read:

Subd. 4. **CONDITIONS.** In order to register under this section, all of the following conditions must be satisfied:

New language is indicated by underline, deletions by ~~strikeout~~.

(1) the offering price for common stock and the exercise price, if the securities offered are options, warrants, or rights for common stock, and the conversion price if the securities are convertible into common stock must be equal to or greater than \$5 \$1 per share; and

(2) the aggregate offering price of the securities offered, within or outside this state, may not exceed \$1,000,000 less the aggregate offering price of all securities sold within the 12 months before the start of and during the offering of the securities under securities and exchange commission Rule 504 in reliance on an exemption under section 3(b) of the Securities Act of 1933. The issuer may not split its common stock, or declare a stock dividend for two years after effectiveness of the registration, except that in connection with a subsequent public offering, the issuer may upon application and consent of the commissioner take this action;

(3) unless an issuer or its predecessors have demonstrated profitable operations for two of the three fiscal years prior to registration, determined in accordance with generally accepted accounting principles, after taxes and excluding extraordinary items, the fair value of the equity investment, as defined by the commissioner by rule, of such issuer shall be at least five percent of the equity investment, as defined by the commissioner by rule, that would result from the sale of all the securities proposed to be offered; and

(4) the maximum quantity of cheap stock, as defined by the commissioner by rule, allowable, expressed as a percentage of the total number of shares to be outstanding after the proposed offering, shall be determined by calculating the fair value of equity investment as a percentage of equity investment in accordance with the following formulations. If the percentage is 20 percent or less, the maximum quantity of cheap stock allowable shall be 50 percent. If the percentage is greater than 20 percent, the maximum quantity of cheap stock allowable shall be two times the percentage plus ten percent. The maximum quantity of cheap stock allowable shall not exceed 90 percent of the total number of shares to be outstanding after the proposed offering.

Sec. 2. Minnesota Statutes 1998, section 80A.115, subdivision 9, is amended to read:

Subd. 9. EFFECTIVE DATE. A registration statement under this section becomes effective when the commissioner so orders. If no stop order is in effect and no proceeding is pending under section 80A.13, a registration statement under this section becomes effective automatically at 5:00 p.m. on the 20th full business day after the filing of the registration statement or the last amendment of it, or at such earlier time as the commissioner by order determines.

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 apply to securities offered or sold on or after the date of enactment.

Presented to the governor April 23, 1999

Signed by the governor April 27, 1999, 11:21 a.m.

New language is indicated by underline, deletions by ~~strikeout~~.