MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON LABOR AND EMPLOYMENT RELATIONS

Call to Order: By Chairman Russell, on March 2, 1989, at 3:25 P.M.

ROLL CALL

Members Present: Fourteen.

Members Excused: Two, Glaser and Thomas.

Members Absent: None.

Staff Present: Eddye McClure, Staff Attorney

Announcements/Discussion: None.

HEARING ON SB 127

Presentation and Opening Statement by Sponsor:

SEN. NATHE: SB 127 is an act to prohibit an appeal to the county superintendent of schools if a grievance concerning a controversy has been filed pursuant to a collective bargaining agreement that provides for final and binding arbitration.

What can happen at the present time is if a teacher has a grievance with a school board, he can file that grievance or he can pursue that grievance in two veins, (1) under their collective bargaining type agreement and, (2) through the county superintendent on to the state superintendent and then to the district court.

On page 3, on the back side, is the essence of the bill. A county superintendent may not hear or decide a matter of controversy when a grievance of complaint concerning the controversy has been filed in a separate proceeding pursuant to a collective bargaining agreement that provides for final and binding arbitration of the dispute. That lays out what the bill attempts to do. We have people here to testify in favor and explain it in further detail.

Testifying Proponents and Who They Represent:

BRUCE W. MOERER, Attorney, Montana School Boards Association.

CHIP ERDMAN, Rural School Districts.

DON WALTER, Legislative Chairman for the School Administrators of Montana.

Proponent Testimony:

BRUCE W. MOERER, proponent. This is a resolution that came before the Montana School Board Association last spring and it passed through our committee process. It was voted on at our convention last October and became a resolution. We asked Sen. Nathe to sponsor legislation for us which would implement this particular bill. It is a bill that has the consensus of the support of the scool boards in the state. It is a labor relations type of issue, although it was heard in Senate Education on the other side, passed by 30, a strong majority in the Senate. It was assigned to Labor when it came over to the House.

The entire education community is pretty well in unity when it comes to school funding, the unions, the trustees, the administrators. We still have our differences in a couple of areas and this is one particular area that we do have a difference. We don't feel, however, that just because we have a difference of opinion that this is an unfair bill. We think it is a fair bill and if you will look at page 3, you will see that this only applies when you have a collective bargaining agreement that provides for final and binding arbitration. We feel that when a union and a school district sit down and negotiate final and binding arbitration it should be in the form in which they go to appeal, to file a grievance, and they should not be able to simultaneously appeal the same issue to the county superintendent of schools. That is a statutory procedure that any school controversy goes through. In other words, you do not go directly from a dispute with the school board into district.

We have that process for any school controversy that arises between an employee and the school board. We also have the situation where a number of the collective bargaining agreements have negotiated into them a final and binding arbitration clause on their grievance procedure. We have had situations, and are currently experiencing some, where you will find that an employee will have the opportunity to do both, file a grievance and go to the county superintendent of schools under the statutory procedure. This duplicates the time and effort the schools have to spend in defending against that particular dispute. It puts us at risk of having conflicting decisions from those two particular bodies and we would like to avoid that. Also, there was a fear in the past that there were several contract issues that would come up under the collective bargaining agreement that would not be heard by the county superintendent of schools. In the past, most county superintendents refused to admit the collective bargaining

agreement into evidence. There was a supreme court case last year out of Great Falls, Lorinda Beck vs. The Great Falls School District, where the supreme court said the collective bargaining agreement has to be admitted into evidence at the county superintendent's hearing. Now you have the opportunity for the entire issue to be resolved either during the grievance procedures or at the county superintendent level. We don't feel that the teacher would lose anything by being required to chose one method or the other, but not both, when they have a dispute with the school board.

That is the essence of this bill. It is not taking away the right of an employee to appeal a dispute with the board, but to require them to do it through one method. It only applies in cases when there is a final and binding arbitration clause in a collective bargaining agreement.

We do have another hearing down in the House Select Committee on Education Funding, the School Administrators of Montana did appear in support of this bill in the Senate hearing and have a resolution to this issue similar to ours that they passed at their convention in October. They do support this bill as well, but they couldn't be here to register that support.

CHIP ERDMAN, proponent. We are in favor of SB 127. I can provide you with a little bit of history on this, having been involved in several cases that this situation applies to.

School districts and other employers are often urged by their bargaining units to enter into final and binding arbitration provisions in their contract. The reasons given for this is that it is a cheaper, quicker method of resolving labor disputes and often when the district enters into that they do so with the expectation that they will be able to proceed on this quicker, less expensive, method and that will be the determination. Both sides at that point are giving up a review of the entire case by the courts. Our supreme court several times has addressed the area of final and binding arbitration in the labor area and they have endorsed it.

The problem is in the area of schools. We do have this dual track system where you can file an appeal with the county superintendent of schools. What has happened in the past is that there have been dual track appeals. The same issues have been litigated in arbitration and also in a county superintendent or administrative proceeding. In one area this case reached the Montana Supreme Court and that was in Butte-Silverbow vs. The Board of Personnel Appeals that dealt with the termination of a police officer in Butte-Silverbow. They have a procedure there where the person goes to the police commission in administrative procedure

similar to the county superintendent and that can be appealed to the district court and ultimately to the supreme court. They also have a final and binding arbitration provision and in that case once the city started through and the administrative procedure, they refused to arbitrate because they said it could lead to inconsistent results. The arbitrator could tell them to reinstate the person and they could have the court telling them that they didn't have to reinstate the person. That went up to the supreme court and they agreed with the city of Butte-Silverbow and said it should be one way or another, they should choose.

Rather than have school districts and unions fight this out in court and relitigate the Butte-Silverbow case, it makes perfectly good sense to have this legislature clarify this. We aren't asking you to take anything away from the employee. The employee will get their day in court, it just depends whether they want to go with an arbitrator or through the administrative procedure which is reviewed by the courts. They have an appeal. It just isn't fair and equitable that they have two appeals that could ultimately result with two opposite decisions.

This is a good public policy bill because it would provide some certainty and save money for both sides.

DON WALTER, proponent. My support has already been expressed. We have had an experience at my own school district where we have both things going at once and sat down and talked it through with our employees and decided that this was foolish and a waste of money and they dropped one avenue and went just to the one. We really think that is the way to go.

Testifying Opponents and Who They Represent:

PHIL CAMPBELL, Montana Education Association.

TERRY MINOW, Montana Federation of Teachers.

Opponent Testimony:

PHIL CAMPBELL, opponent. We stand in strong opposition of SB 127. In all due respect to the good senator, we think he got conned into doing something he really didn't want to do.

Bruce told you this bill was a resolution from the School Board Association. The resolution said they would like this to happen if there was a contract, not the arbitration that was added over in the Senate. If they had their way they would like for the school board to have the final say and there would be no appeal anywhere else. It was amended in the Senate Education Committee to include the arbitration aspect, thinking for the most part that most contracts should have binding arbitration agreements, but that is not the case in most school districts. Most of the larger

districts have arbitration and many of those also take care of this particular problem. The different forums can take care of different problems. It is true that in termination cases the teachers have an appeal process through the county superintendent and on to the state superintendent and court from there.

Mr. Walter testified that his district is one of the districts that has had a situation like this and they have sat down and worked it out. That is true. Since then they have also bargained into their contract at Hellgate, where Mr. Walter is from, this clause: "Should the subject of a grievance be processed to an authority outside the district, the grievance subject shall be deemed moot." They have taken care of this kind of situation in his district because they bargained it into the contract.

In Billings they have a clause that has a similar provision. They bargained it into the contract that says that if you process this problem outside the school district you forego your right to the grievance, you don't bargain away your statutory right which is what this bill would ask teachers to do. They would be foregoing their statutory right by bargaining a grievance procedure that ends in arbitration. Ninety plus percent of all labor contracts have arbitration in them. A number of school districts have bargained this kind of provision.

In Great Falls their contract says the teacher or his representative together, or as one, shall have the right to pursue either statutory or contractual procedures rights and remedies, but not both. That is in their collective bargaining contract. They have settled it at the local level through the negotiation process. We think that is where it needs to be dealt with.

Chip mentioned a case he knows about, in Colstrip, where the district decided to seek a temporary restraining order. This district, even though they have used a professional negotiator that has bargained some of these other provisions in other contracts, they chose not to bargain that. They came up with a situation where there was a grievance filed because we felt there was a contract violation. This teacher has also hired a different organization and has made an appeal to the county superintendent. The school district called a foul and went to the court and said that this is not right and the court said no. I have a copy of that decision, and I want the committee to see it. (Copy of decision attached hereto as Exhibit #1). This is a copy of the court's decision regarding the temporary restraining order. The court denied the relief because they said the plaintiffs will not suffer irreparable harm with simultaneous appeal and went on to say that while concurrent proceedings may result in a duplication and conflict, such potential factors are outweighed by the importance of timely

disposition in the several forms involved. What has happened is we have a school district that has chosen, for whatever reason, not to bargain it into their contract. They have gone to the courts and asked the courts to solve the problem. The courts said no. Now they are coming to you and asking you to solve a problem that, to my best experience, has happened this one time.

There have been other examples where there have been challenges. The statutory appeal rights ought not be given up because people bargain a procedure in their contract to solve contractual problems. Since the school district has not bargained it, the courts have said no, we think the simple solution to this problem is for the committee to just say no. We ask that this committee do that.

TERRY MINOW, opponent. We strongly oppose SB 127. This can be collectively bargained at the local level and that is where this decision needs to be made. This unnecessary bill tips the balance of power toward the school boards. We ask that you leave the collective bargaining process as it is by giving this bill a do not pass recommendation.

Questions From Committee Members:

RICE: Question for Mr. Moerer. Have I read this correctly, on page 3, if the school board would file the grievance pursuant to the collective bargaining agreement that would prohibit the teacher from availing himself or herself of the appeal to the county superintendent?

MOERER: I would think so. It works both ways.

COCCHIARELLA: Question for Bruce Moerer. Usually when you stand up here you urge us to vote for bills that make sure that things are left at the local level and that the decisions are left with local school boards, why in this bill are you asking to take away local control?

MOERER: When you look at the case City and County of Butte-Silverbow vs The Board of Personal Appeals that the supreme court logic is there and you shouldn't have to run the risk of going in both directions. Even though the district court did not grant the temporary restraining order in the Colstrip case, that refusal to grant a TRO is not a final decision on the merits of the case. In the event the teacher does go back to the district court I would think that the logic of the Butte-Silverbow case would still prevail. I guess we don't feel it is necessary to subject every school board to the necessity to bargain in something that really, under that supreme court case, should already be a matter of law, but it does not apply to schools because it was brought through the police commission type of process, so we feel it is an extra burden on those districts to have to do that.

SIMPKINS: Question for Campbell. If you had a collective bargaining agreement such as you mentioned and had a binding arbitration, are you saying that the contract supercedes law?

CAMPBELL: If there was a conflict in your contract and the law, the law would prevail, but you could bargain into your contract additional benefits and rights that are not provided for in law.

SIMPKINS: Maybe I misunderstood a comment you made, but you said what we are doing here, because of a binding arbitration agreement, we are telling that person they have to give up their legal entitlement under law.

CAMPBELL: That's true.

SIMPKINS: With a binding arbitration agreement, if you went to court, the law would prevail over your contract. therefore, even if it failed under the binding arbitration agreement in your contract and the person lost he could still proceed against this on the basis of law. Wouldn't that be correct?

CAMPBELL: I'm not sure I followed your question totally. Let me rephrase perhaps what I said and try to answer your question. If this bill were to pass, and currently the contract does not have arbitration in it, and they bargained binding arbitration into the contract so they can settle contractual disputes, they would then by virtue of this bill forego their right to a statutory appeal process. So they would have to give it up. If they don't have arbitration, they can keep it. They have it now. If they bargain that provision into the contract they would give up this right.

SIMPKINS: I think we are saying the same thing, let's just clarify it. Let's say that this bill dies and the law stays as it is. In other words, your contract does not supercede the law.

CAMPBELL: Contracts do not supercede law.

SIMPKINS: So if we do not have this change in the law, regardless of what your contract says, they still have both avenues of approach even though you write it out in your contract.

CAMPBELL: I think so.

McCORMICK: Question for Campbell. Can this law be amended any way to make it right?

CAMPBELL: I can suggest a way to do that but I don't want it to happen. Part of the problem brought out in the Senate committee was the "simultaneous appeal," things happening at

the same time. It was discussed in that committee very briefly that maybe it could be amended to do one procedure and get it out of the way and then do the other.

DRISCOLL: Question of Terry Minow. Isn't this the clause that has been negotiated in most schools a mandatory subject of bargaining? In the case where the school board asks for this in bargaining, it's mandatory you discuss it; you don't necessarily have to come to an agreement, but it is mandatory that you bargain on that. So, how many times when you bargain, when it has been put on the table, has it not been resolved to your knowledge.?

MINOW: I don't know in terms of the number of times. Generally, if something like this is bargained, it would be traded off for another item in the contract. It would be the subject of the whole collective bargaining process. You might give this right up in exchange for something else in your grievance procedure or even in terms of a pay increase. You would just be subject to the whole bargaining process.

RICE: Question for Erdman. On the question of law versus the contract, would you want to comment further on that?

ERDMAN: The issue was what was the difference between a district that didn't get a binding arbitration clause in it and one that did. Under this bill, if it is passed, if a district didn't have binding arbitration there is no finality to that, it can be appealed. Our concern is that because of the dual track process that there is no finality the way the current law is now. Quite frankly, we think the supreme court decision extends to this area. What we are trying to do is just stop needless expense of litigation and reestablish this in the school area.

DRISCOLL: Question for Erdman. Following up on Rep. Simpkins' questioning, if they bargain into their agreement that they would have either the grievance procedure or the county superintendent of instruction and the union filed a grievance and they lost and then they went into file with the county superintendent of schools, wouldn't they be in breach of contract and you could file against them for breach of contract?

ERDMAN: Yes, if there was a choice of remedies clause in the contract and they were unsuccessful before the arbitrator and attempted to file before the county superintendent, an unfair labor practice could be filed.

Closing by Sponsor:

SEN. NATHE: The bill is here because of the problem of simultaneous appeals.

The big problem here is to prevent what the Montana Supreme Court referred to in the Butte-Silverbow case, going through a process that could come back with two separate opinions, or actually two separate types of decisions on the same grievance; (1) you have final binding arbitration, (2) you go through the county superintendent and on through the court system. You could get two contradictory resolutions to the same problem. This is an attempt to eliminate that problem.

RUSSELL: Sen. Nathe, should this bill be concurred in by this committee, do you have someone in the House who will be carrying it?

SEN. NATHE: Rep. Cody will be carrying it.

DISPOSITION OF SB 127

Motion: Rep. Lee motioned DO CONCUR.

Discussion:

RICE: I asked a question during the hearing, you might recall. My concern was that according to the language on page 3, a school board could file a grievance and preempt a school teacher from filing an appeal to the county superintendent.

SQUIRES: I would like to make a substitute motion to DO NOT CONCUR.

DRISCOLL: The school boards and the bargaining units, the unions, if either side wants to bargain to this clause that they have in the Hellgate Elementary School, they have to bargain on that issue. It seems to me that when it has been put up for bargaining that they have agreed to it and then if they agree to it, the clause in the contract that says they will either chose the final and binding arbitration or they will go to the county superintendent of schools to settle the dispute. The union chose to file the final and binding arbitration and they lost, and then they tried to go to the county superintendent. The school board would simply go down to the local state court judge and get a restraining order against them because they breached their agreement. Every time I have seen any kind of these cases, the judge not only granted it, he granted the employer attorney fees and costs because the union had breached their agreement.

This bill is simply an end run to try to get a law so they don't have to bargain this clause that says "either/or". Terry or Phil didn't come right out and say it, but they should, they get something for this. They give up the right to both places and they do it because they know that sooner or later they will have to do it anyway, the judge will rule against them, but they get something for it. We're taking

away the rights of people to collectively bargain on one more little issue, and I don't think it is a good bill.

SIMPKINS: It seems to me that it would make it easier for you to bargain a collective bargaining agreement in the contract with this law. It seems like this is an argument in favor of collective bargaining agreements.

DRISCOLL: The clause in those contracts is a sole remedy clause. Whenever there is a law like this on the books that says there is procedure in law for people to get their rights and they have a union, the employer will bargain a final and binding arbitration clause in their contract and then you get to choose which one you want to do. You put this into law and the school boards don't have to bargain about it anymore.

SIMPKINS: Jerry, on line 4, page 3, the controversy has been filed, the person has chosen. This doesn't eliminate the person going to file with his superintendent of schools if they have a binding arbitration agreement. It says "filed," so that means if a person has filed under the contract provisions they can't go to the superintendent of schools. If the person has filed with the superintendent of schools, then he shouldn't come up with the contract provision. It says "filed" in there and I read it as a physical action. If it hadn't been filed, we don't deny the choice.

DRISCOLL: When you sit down at the table to bargain with the employer, the school board and the union, and the school board puts out things that they want in the contract, the union puts out things they want in the contract, and one of the things that the school board association puts on the table is an exclusive remedy. Either you get final and binding arbitration in a contract, and you file that petition then you cannot go to the county superintendent of schools. It is bargaining at the table. If you put it in a law book, then you can't bargain for it at the table. Collective bargaining is trading back and forth. The school board wants a clause that says they won't file simultaneous actions. The union wants 15 cents an hour more. You make a trade.

LEE: I don't understand what you are saying yet either. It seems to me that when you have two situations that are possible, you can have a bargaining clause that is not binding that would still be subject to appeal the conclusion, right?

Then you would have this process that if they had a binding clause in there and the person chose that route to settle his grievance, then that's it, he has locked himself into that process. But if you have a non-binding situation, this wouldn't affect that at all because the law would still supercede. So I still don't see why that would preclude

getting a binding clause into negotiations. I don't see why it automatically locks it out. What am I missing here?

DRISCOLL: The third part, your either/or part of the final and binding arbitration clause. When your grievance procedure and arbitration clause normally start, the union chooses two people and the employer chooses two people and they sit down and try to settle the problem. If that does not work then you get a list from either the state of Montana, Department of Labor of five people or from the Federal Mediation Service of five people and you strike names until there is one person left. That person is the arbitrator and he makes the decision. If you have not bargained in your contract another clause that says, in a case of school teachers or school employees, that either/or, the clause that the Hellgate school talked about, then they could lose at arbitration and file at the county level. They could do both. But if you put in the clause saying "either/or" into the collective bargaining agreement, then you can't do it. So what happened at Colstrip, there was not an either/or clause in the union contract, and they did take on simultaneous appeals because they wanted to put pressure on the school board at Colstrip. In the next bargaining session the next year the Colstrip school board is going to want that exclusive remedy clause and they'll get it in bargaining.

If you don't have the exclusive remedy clause in your contract right after the grievance procedure, then you can file both. If you have the exclusive remedy clause in your contract you cannot file both. They trade off, they bargain back and forth. The school board wants the exclusive remedy clause, the same thing that this bill says, but they bargain for it at the negotiation table.

RICE: Question for Jerry. Doesn't this bill assume that they have already met at the table and bargained for a final and binding arbitration clause in the contract?

DRISCOLL: Absolutely. I guess I'm not explaining this very well. Like they said, I suppose 99% of the contracts in the nation have a final and binding arbitration clause. In this particular case where there is also another remedy for school teachers, union or non-union, if a controversy arises they can go to the county superintendent to get it settled. If the union bargained that they will either go to arbitration or the county superintendent, but they won't do both, and it is in the union contract, they have bargained to that, then it is exclusive remedy -- one or the other -- whichever one they choose. If they don't bargain that clause into the union contract, then they can do both. They can lose one place and then go to the other place, just like the school board people say.

The whole controversy here is over whether or not all of the school boards will agree to the same clause that the union and the Hellgate elementary district agreed to. You will take your choice. This bill says it doesn't have to be in the union contract any more, you will file "either/or," so there is no more trading at the bargaining table. They get the law so they don't have to bargain for it any more. You are taking away the right of the employees to go to the table and get something to give up something.

McCORMICK: All Jerry is trying to tell you people is that if you pass this law, you don't bargain against the law. You are taking the teachers' bargaining rights away from them. If they don't have arbitration, they never will have. You don't bargain against the laws of Montana.

KILPATRICK: Jerry, am I right in assuming that if this bill passes and a school district does not have collective bargaining, they will never get it? If this bill passes, the teachers have collective bargaining right power?

DRISCOLL: No. In order to have collective bargaining you have to have a union. I guess what you mean is that they don't have final and binding arbitration in their contract, maybe that is what you are talking about. I don't know of any contract where you don't have final and binding arbitration. If you read history books, before there was such a thing as final and binding arbitration, every time a controversy arose everybody walked off the job. It put too much pressure on the employer. The National Labor Relations Board made it a mandatory item of bargaining, to bargain for some kind of a grievance procedure that ends somewhere. The employers and the union agreed to this final and binding arbitration. The NLRB set up this federal mediation service to handle this.

If it is a non-union school, then their only remedy is the county superintendent. If you have a collective bargaining agreement and is a final and binding arbitration, but no exclusive remedy clause, you get both. If it is a school that is union organized and you have a final and binding arbitration clause and an exclusive remedy clause, then you make your pick -- one or the other.

This bill says there will be no more bargaining on the exclusive remedy clause because it is in the law. So what they are trying to get rid of is exclusive remedy bargaining. That's what the bill gets rid of.

O'KEEFE: I would like to make a substitute motion to TABLE the bill.

RUSSELL: We have a substitute to the substitute for TABLING. I guess that is non-debateable.

Vote: Nine yes votes and 7 no votes (no votes by Simpkins, Thomas, Compton, Smith, Rice, Glaser and Lee.

RUSSELL: The TABLING motion has passed.

ADJOURNMENT

Adjournment At: 4:30 P.M.

Angela Russell

REP. ANGELA RUSSELL, Chairman

AR/mo

4909.MIN

DAILY ROLL CALL

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date 3/2/89

SB127

NAME	PRESENT	ABSENT	EXCUSED
Rep. Angela Russell, Chairman	✓		
Rep. Lloyd "Mac" McCormick,VC	✓		
Rep. Vicki Cocchiarella	✓		
Rep. Duane Compton	✓		
Rep. Jerry Driscoll	✓		
Rep. Bob Pavlovich	✓		
Rep. Bill Glaser			✓
Rep. Tom Kilpatrick	✓		
Rep. Thomas Lee	✓		
Rep. Mark O'Keefe	✓		
Rep. Jim Rice	✓		
Rep. Richard Simpkins	✓		
Rep. Clyde Smith	✓		
Rep. Carolyn Squires	✓		
Rep. Fred Thomas			✓
Rep. Timothy Whalen	✓		

3252

EXHIBIT 1
DATE 3-2-89
HB 513/27

JUL 26 1988

MONTANA SIXTEENTH JUDICIAL DISTRICT, ROSEBUD COUNTY

ROSEBUD COUNTY SCHOOL DISTRICT NUMBER 19, Colstrip, Montana,

Plaintiff,

vs.

ELMER R. BALDRIDGE, COLSTRIP FACULTY ASSOCIATION, AND JEAN NOLAN, County Superintendent of Schools,

Defendants.

No. DV 88-79

ORDER

FILED July 20, 1988
Ellen D. Clark Clerk

Hearing on Plaintiff's Motion for injunctive relief came on for hearing this day, all parties being represented by respective counsel.

After considering arguments and memorandum of counsel, the Court denies Plaintiff's Motion for injunctive relief on the ground that Plaintiff's will not suffer irreparable harm by the simultaneous prosecution of appeal by Defendant Baldridge and Plaintiff's prosecution of its claim for declaratory judgment under the collective bargaining agreement. While concurrent proceedings may result in duplication and conflict such potential factors are outweighed by the importance of timely disposition in the several forums involved. Any conflicts that may develop can be dealt with by the Court at a later stage.

Dated this 19th day of July, 1988.

A. B. Martin, District Judge

Clerk shall mail copies to counsel of record.

Copies mailed to: Lucas & Monaghan, P.C.
Moses Law Firm
Hilley & Loring
Jean Noland (del) Pers)
7-20-88 ec

VISITORS' REGISTER

HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE

BILL NO. SB 127 DATE 3/2/89

SPONSOR Nathe

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Bruce W. Moerer	MSBA	✓	
Phil Campbell	MEA		✓
Chip Erdmann	Local Control	X	
Terry Minow	MFT		✓

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.