

Bond Case Briefs

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LABOR & EMPLOYMENT - MONTANA

Folsom v. Montana Public Employees' Association, Inc.

Supreme Court of Montana - August 22, 2017 - P.3d - 2017 WL 3600625 - 2017 MT 204

Non-probationary police officer who claimed that city had wrongfully discharged him under a collective-bargaining agreement brought action against his labor union for breach of its duty of fair representation (DFR) and common-law fraud for allegedly inducing officer to waive his grievance rights through inaction.

The District Court granted summary judgment for officer, awarded compensatory damages for attorney fees on the DFR claim, denied damages for lost wages, benefits, and emotional distress on the DFR claim, awarded punitive damages on the common-law-fraud claim, and denied both parties' motions for post-judgment relief. Both parties appealed.

The Supreme Court of Montana held that:

- Officer's common-law-fraud claim was necessarily subsumed in his DFR claim;
- Record on summary judgment was insufficient to establish causation of damages on the DFR claim;
- Union did not judicially admit to causation of damages on the DFR claim;
- Officer could not recover attorney fees against the union on the DFR claim absent proof of breach, proof that the city wrongfully discharged him, and proof that breach caused him to incur attorney fees and costs to enforce his right under the collective-bargaining agreement against the city;
- Erroneous award of attorney fees made punitive damages on the DFR claim unavailable as a matter of law; and
- Fundamental fairness and equity warranted relief for union from trial court's judgment under rule on altering or amending judgment and rule on relief from judgment.