

2025 – 2027

COLLECTIVE BARGAINING AGREEMENT

between the

**STATE OF MONTANA
DEPARTMENT OF LABOR AND INDUSTRY**

and the

LABOR RELATIONS AND APPEALS UNION

TABLE OF CONTENTS

PREAMBLE 3

ARTICLE 1. RECOGNITION..... 3

ARTICLE 2. MANAGEMENT RIGHTS..... 3

ARTICLE 3. TRAINING..... 3

ARTICLE 4. DISCHARGE, DEMOTION OR DISCIPLINE 3

ARTICLE 5. PERFORMANCE EVALUATIONS 4

ARTICLE 6. COMPENSATION..... 4

ARTICLE 7. NO STRIKE – NO LOCKOUT 5

ARTICLE 8. GRIEVANCE AND ARBITRATION 5

ARTICLE 9. SEVERABILITY 8

ARTICLE 10. TERM OF AGREEMENT 8

COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF MONTANA
DEPARTMENT OF LABOR AND INDUSTRY
and the
LABOR RELATIONS AND APPEALS UNION

PREAMBLE

THIS AGREEMENT is made and entered into between the State of Montana, Department of Labor and Industry, hereinafter referred to as the “Employer,” and the Labor Relations and Appeals Union, hereinafter referred to as the “Union.”

ARTICLE 1.
RECOGNITION

Section 1. The Employer recognizes the Union as the sole and exclusive bargaining representative of all employees within the Office of Administrative Hearings and the employees identified as Labor Mediators in the Dispute Resolution Unit excluding supervisory, managerial, confidential, temporary, and seasonal personnel.

ARTICLE 2.
MANAGEMENT RIGHTS

Section 1. The Employer retains in full all rights and prerogatives as set forth by state law not specifically relinquished in this Agreement.

ARTICLE 3.
TRAINING

Section 1. The Employer shall make a good faith effort to provide education and training to all bargaining unit employees. Employees will have input when identifying individual training needs and in establishing an individual educational and/or training plan. If a request by an employee for education or training is denied, the Employer will document in writing the reason for such denial, if requested by the employee.

Section 2. Training required by the Employer to establish, maintain, or improve skills for employees current position will be scheduled during paid time. All costs relating to this required training will be paid by the Employer.

ARTICLE 4.
DISCHARGE, DEMOTION OR DISCIPLINE

Section 1. The probationary period for new hires and rehires shall be six months from the date of hire. If the Employer determines at any time during the probationary period that the services of the probationary employee are unsatisfactory, the employee may be separated upon written notice from the Employer. The probationary period for an individual employee may be extended at the Employer’s discretion in accordance with the State of Montana Probation Requirements Policy.

ARTICLE 5. PERFORMANCE EVALUATIONS

Section 1. It is the intent of the Department of Labor and Industry to provide employees with a performance appraisal completed by their immediate supervisor on a yearly basis in accordance with MOM Performance Management and Evaluation Policy. These rules require the department to regularly manage and evaluate the performance of permanent employees.

ARTICLE 6. COMPENSATION

Section 1. Effective on the first day of the first complete pay period that includes July 1, 2025, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater. Effective on the first day of the first complete pay period that includes July 1, 2026, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater.

Subsection 1. Further, in accordance with § 2-18-303(4)(a)(i), MCA, these adjustments will not be provided to employees until the State receives written notice that the employees' collective bargaining unit has ratified the Agreement. If that notice is received after the effective date of the pay adjustment, the adjustment will be paid retroactively.

Section 2. The monthly Employer contribution for group benefits will increase to \$1080 for the 2026 plan year and \$1107 for the 2027 plan year.

The monthly State of Montana employee contributions will increase for 2026 and 2027 plan years. The tables below break out the monthly increase both before and after the wellness incentive which increased to \$60 per month for the 2026 and 2027 plan years.

The cost of employee-only coverage will be covered by the Employer contribution, after the wellness incentive is applied.

Employee Monthly Contributions Before Wellness Incentive		
Contribution Type	2026 Plan Year Contribution	2027 Plan Year Contribution
Employee Only	\$60	\$60
Employee and Spouse	\$318	\$326
Employee and Children	\$134	\$138
Employee and Family	\$397	\$407

Employee Monthly Contributions After Wellness Incentive		
Contribution Type	2026 Plan Year Contributions	2027 Plan Year Contributions
Employee Only	\$0	\$0
Employee and Spouse	\$198	\$206
Employee and Children	\$74	\$78
Employee and Family	\$277	\$287

The monthly Tobacco Surcharge will increase to \$60 for the 2026 and 2027 plan year.

The State has the discretion to manage all aspects of the State Health Plan, to include, but not be limited to, deductibles, coinsurance levels, and maximum out-of-pocket levels. Member contributions will only increase beyond the rates established above if the Risk-Based Capital (RBC) level is at or below 300%.

ARTICLE 7. NO STRIKE – NO LOCKOUT

Section 1. The Union agrees that, during the term of this Agreement, there shall be no strike, work stoppage, slowdown, or any other type of concerted activity that impedes or interferes with any operations of the Employer. Further, the Union assumes liability for any damages caused by such action, whether authorized by the Union or not, and obligates itself to take every reasonable step to discourage, terminate, or prevent such action. The Employer agrees not to lock out its employees during the term of this Agreement; but such Agreement shall in no way limit the Employer's right to reduce its workforce or lay off employees.

Section 2. In the event the Employer's offices are picketed by another labor organization, pursuant to a labor dispute between the Employer and the picketing labor organization; the Employer agrees to make reasonable efforts to arrange for unit employees to work at other locations. The Union recognizes that, in some cases, such relocation may not be possible. In no case shall any unit employee who does not report for work on any day as required by the Employer, or who is not otherwise excused, be paid for such a day.

ARTICLE 8. GRIEVANCE AND ARBITRATION

Section 1. Having a desire to create and maintain harmonious labor relations between them, the parties agree that they will promptly attempt to address all complaints, disputes, controversies, or other grievances arising between them involving questions of interpretation or application of the written provisions of this Agreement. All potential grievances must be discussed with the immediate supervisor prior to the filing of a formal grievance and no formal grievance may be filed until the immediate supervisor has been given an opportunity to attempt resolution.

Section 2. Grievance Procedure.

Step 1

A grievance involving the interpretation or application of the written provision(s) of this Agreement shall be submitted by the employee or union representative to the employee's immediate supervisor or management designee within 14 calendar days from the occurrence of the grievable event. The immediate supervisor or management designee shall have 14 calendar days from receipt of the grievance to respond in writing.

Step 2

If the grievance is not resolved at Step 1, a formal grievance may be submitted by the Union in writing within 14 calendar days from the immediate supervisor's or management designee's response to Step 1. The grievance should be submitted to the appropriate management official. The management official at the second step shall have 14 calendar days from receipt of the grievance to respond in writing.

Step 3

If the grievance is not resolved at Step 2, the Union may submit a Step 3 formal grievance to the agency head or designee within 21 calendar days of the Step 2 response. The agency head or designee shall have 21 calendar days from receipt of the grievance to respond in writing.

Step 4

Should the Union consider the decision of the agency head unsatisfactory, the Union shall, within 21 calendar days of such decision, notify the agency head and the State Office of Labor Relations of its intention to take the grievance to arbitration.

Step 5

After notification of arbitration, the State Office of Labor Relations (OLR) will work with the Union and management to determine if there is a mutually acceptable resolution that can be found or if the matter should go to mediation. If OLR determines the parties cannot resolve informally or through mediation, the decision should proceed to final and binding arbitration. If there is a cost associated, the parties will share it equally. The timeline for the grievance processing will be put on hold until the mediation is final or the decision is made to move to arbitration.

Section 3. Rules of Grievance Processing.

Subsection 1. Waiving time limits. Time limits at any stage of the grievance procedure may be extended by written mutual agreement of the parties at that step.

Subsection 2. Timeliness. A grievance not filed or advanced by the grievant within the time limits provided shall be deemed permanently withdrawn. Failure on the part of the Employer's representative to answer within the time limit set forth in any step will entitle the employee to the next step.

Subsection 3. Elements of the grievance. All presentations of grievances shall be submitted to the Employer in writing at each step and must include:

1. Name of employee(s)/Union grieving.
2. Date of the violation.
3. The step of the grievance.
4. A complete statement of the grievance and facts upon which it is based.
5. The specific Article(s) and Section(s) of the Agreement violated.
6. The specific remedy or correction requested.
7. The signature of each grievant or representative.

Subsection 4. Alternative procedures.

1. As recognized in § 49-2-512, Title 49 of Montana Code Annotated establishes the exclusive remedy for acts constituting an alleged violation of the Montana Human Rights Act or Governmental Code of Fair Practices. In the event of a grievance based upon an alleged violation of this Act, the statutory procedures of filing a claim with the Human Rights Bureau shall be the exclusive remedy.
2. As recognized in § 2-18-1011, Title 2 of Montana Code Annotated establishes the exclusive remedy for an alleged violation of classification or compensation. In the event of a grievance based upon an alleged violation of this provision, the statutory procedures of filing a claim with the Board of Personnel Appeals shall be the exclusive remedy.

Section 4. Rules of Arbitration.

Subsection 1. Selection of Arbitrator. The parties shall request a list of seven arbitrators from the Board of Personnel Appeals and shall alternatively strike names from the list. The last remaining name shall serve as the arbitrator.

Subsection 2. Arbitrator's limitations. No grievance which fails to meet the requirements of Section 3, Subsection 3 of this Article shall be determined to be arbitrable. The arbitrator may not add to, subtract from, or modify the terms of this Agreement.

Subsection 3. The parties agree either party may file pre-arbitration dispositive motions or request a bench decision from the arbitrator.

Subsection 4. Each party shall share equally the cost of the arbitrator. In the event one of the parties wants transcripts from the proceedings of the arbitration, the party requesting the transcripts shall pay the entire cost. If each party requests a transcript, they shall equally share the cost.

Subsection 5. The arbitration location shall be in Helena, Montana unless otherwise mutually agreed by the parties.

ARTICLE 9. SEVERABILITY

Section 1. In the event any provision of this Agreement shall be declared invalid at any time or unenforceable by any court of competent jurisdiction or through government regulations or decree, such decision shall not invalidate the entire Agreement, it being the expressed intention of the parties hereto, that all other provisions not declared invalid or unenforceable, shall remain in full force and effect.

Section 2. Should any section of this Agreement be invalidated, the parties agree to commence negotiations on a replacement section(s) within 30 calendar days.


ARTICLE 10. TERM OF AGREEMENT

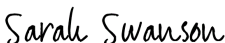
Section 1. This Agreement shall be effective as of the 1st day of July 2025 and shall remain in full force and effect through the 30th day of June 2027. Thereafter, the Agreement shall continue for successive two-year periods and shall be in full force and effect, unless either party to this Agreement notifies the other, in writing, no more than 90 days and not less than 60 days prior to the expiration date or anniversary date, that they desire to modify this Agreement.

Section 2. If the Union gives such notice, it agrees also to notify the State Office of Labor Relations, Chief Labor Negotiator, in writing, of such requested negotiations, at the same time such notice is given to the Department. In the event such notice is given, negotiations shall begin no later than 30 days prior to the expiration date or anniversary date.

THIS AGREEMENT is signed and dated this 7/3/2025.

THE STATE OF MONTANA:

Signed by:

362B3999E28E4DB...
Karol Anne Davis, Chief Negotiator
State Office of Labor Relations

DocuSigned by:

9461352FD2194B4...
Sarah Swanson, Commissioner
Department of Labor and Industry

THE UNION:

DocuSigned by:

A38BB67371C0470...
Dave Luckey, President

Signed by:

445D71605E9046B...
Joslyn Hunt, Hearings Officer