

MONTANA

BOARD OF INVESTMENTS

Statement of Board of Investments Executive Director Dan Villa August 20, 2025, Meeting

"I received a call Monday from the Executive that, in my opinion, necessitates a pause by the Board. The Executive and Legislative branches currently hold differing interpretations of the Board's authority under Section 17 of House Bill 5 relating to the construction of a Behavioral Health Facility. In respect of both branches, in compliance with the Act, and to avoid acting without clear direction, I recommend the Board suspend any further consideration and forgo further implementation of House Bill 5 until we receive written guidance specifying services to be provided at the facility, the general location desired for the facility, and confirmation that the facility is to be built as an investment security held in trust for the State. The Board must avoid being placed between coequal branches to which we owe legal and fiduciary duties.

I thank local leaders of Billings and Laurel for their candid input, especially Councilmen Aspenlieder and Kennedy, Billings City Administrator Chris Kukulski, Laurel City Administrator Kurt Markegard, Director Brereton and staff at DPHHS, Budget Director Osmundson and staff at OBPP, as well as Senators Esp, Yakawich, Lenz, Ricci, and Representatives Etchart, Brewster and Schomer. Their efforts reflect a shared commitment to expanding behavioral health service capacity while protecting community safety and interests.

If due diligence resumes upon receipt of written guidance, no previously reviewed sites—including those on Skyway Drive—are viable, given local feedback, infrastructure costs, local zoning regulations, impacts on targeted economic development districts, and state land leasing processes. If BOI is to engage further, our future work must begin with clarity on services and siting from our partners, while still meeting our obligations to secure profits and cost savings for Montanans."