

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 2677 - SB 2656**

February 17, 2010

**SUMMARY OF BILL:** Prohibits any new residential alcohol or drug treatment, rehabilitation, or detoxification facility to be located within 1,000 feet of a child care center. This provision does not apply to facilities that are currently in operation in a prohibited location. Current facilities located within 1,000 feet of a child care center must install cameras, fencing, lighting, and other security measures as required by the Commissioner of Mental Health and Developmental Disabilities.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$229,200/One-Time**

Assumptions:

- According to the Department of Mental Health and Developmental Disabilities (DMHDD), there are 158 facilities that would be impacted. Of these, approximately 25 percent, or 40, would need to install security features.
- It is estimated that at least 50 percent or 20 (40 x 50%) facilities, are ones in which DMHDD contracts with to provide treatment services. It is assumed that these facilities will increase service rates to cover the cost of installing security features.
- The Department based fencing cost estimates on installing a six foot high, 417 linear foot chain link fence on a one-fourth acre lot with two gates. Chain link is approximately \$22.65 per linear foot. The gates are estimated to cost \$716 for a single person and double-wide for the drive. The estimated cost of fencing one facility is \$10,161 [(417 x \$22.65) + \$716].
- The Department estimates installation of four security cameras per facility will cost \$1,000 and lighting installation will cost \$300 per facility.

- The estimated cost for each facility to install required security measure is \$11,461 (\$10,161 + \$1,000 + \$300). The estimated increase in expenditures to the 20 facilities that DMHDD contracts with is \$229,220 (\$11,461 x 20).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/kml