TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

HB 392 - SB 1289

February 19, 2023

SUMMARY OF BILL AS AMENDED (004032): Defines the term "battery-charged security fence" for purposes of the *Alarm Contractors Licensing Act of 1991*. Prohibits a municipality from adopting or enforcing any ordinance that requires a permit, fee, imposes additional requirements, or prohibits the installation or use of a battery-charged security fence on property not designated exclusively for residential use.

FISCAL IMPACT OF BILL AS AMENDED:

Other Fiscal Impact – There will be a decrease in local fee revenue resulting from the prohibition of certain fees. The precise amount and timing of any decrease in local revenue cannot be reasonably determined.

Assumptions:

- The term "battery-charged security fence" does not currently appear in the *Alarm Contractors Licensing Act of 1991*. Adding a definition of such term to the Act and prohibiting municipalities from adopting or enforcing certain ordinances will not significantly impact the administration or enforcement by the Department of Commerce and Insurance. Any fiscal impact will be not significant.
- Some local governments charge a fee for the installation of any fence. Prohibiting locals from charging this fee for a battery-charged security fence on non-residential property will result in a decrease in local revenue.
- For some local governments, this decrease in fee revenue may be not significant in some years while to other local governments there will be a significant decrease in fee revenue.
- Based on multiple unknown variables the precise amount and timing of any decrease in local fee revenue cannot be reasonably determined.

IMPACT TO COMMERCE OF BILL AS AMENDED:

Other Commerce Impact – There will be a decrease in business expenditures resulting from the prohibition of certain fees. The precise amount and timing of any decrease in business expenditures cannot be reasonably determined.

Assumptions:

- The proposed legislation may result in a decrease in business expenditures for businesses that would otherwise pay a permit fee for installation of a battery-charged security fence; however, due to multiple unknown variables, any such decrease cannot be quantified with reasonable certainty.
- No significant impact on jobs in Tennessee.

CERTIFICATION:

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

Krista Lee Carsner

Krista Lee Carsner, Executive Director

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