

**HB 2249-S - DIGEST**

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Establishes new annexation mechanisms and related fiscal provisions that apply in counties with more than one million five hundred thousand residents.

Authorizes the legislative authority of a county with a population of one million five hundred thousand or more to impose an excise tax on the privilege of engaging in business as a utility. The tax only applies to the unincorporated areas of the county. Expires January 1, 2012.

Authorizes a city or town located partially or wholly within a county with a population of one million five hundred thousand or more, subject to certain requirements, to impose a tax upon the gross income or gross receipts of a water-sewer district.

Allows cities and counties to use the voter-approved real estate excise tax for park maintenance and operation expenditures.

Directs the state auditor to conduct a performance audit of any county with a population of one million five hundred thousand or more to specifically determine whether policy changes and programs the county has adopted since January 1, 2009, will effectively reduce overhead and other costs, improve services, and streamline operations. Expires January 1, 2012.