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Overview

This bill provides for state assistance to cities, through: (1) creation of a \$10 surcharge on annual motor vehicle registration; (2) reallocation of a portion of a \$10 filing fee imposed on motor vehicle transactions (other than registration renewals) that currently goes to the general fund; and (3) reallocation of a \$3 title transfer fee, which currently goes to the general fund. The revenue streams are distributed 50 percent for the Small Cities Assistance program, and 50 percent for a new larger cities assistance account for cities that receive municipal state-aid street funds.

Section

- 1 **[162.146] Larger cities assistance account.** Establishes an account for cities that receive municipal state-aid street funds. Allocates funds in the account on a formula basis, so that 50 percent of the funds are distributed based on city population and 50 percent is distributed based on a road needs calculation (which is utilized in distributing municipal state-aid street assistance).
- 2 **Filing fees and surcharge; allocation.** Imposes a \$10 surcharge on motor vehicle registration renewals. Allocates the funds from the new surcharge as well as \$3.50 per transaction from an existing \$10 filing fee, to be distributed 50 percent for the Small Cities Assistance program, and 50 percent for the larger cities assistance account being created in section 1. The reallocated filing fee revenue currently goes to the general fund.

Section

- 3** **Proceeds to general fund.** Reallocates revenue from a \$3 title transfer fee to be distributed 50 percent for the Small Cities Assistance program, and 50 percent for the larger cities assistance account being created in section 1. The reallocated transfer fee revenue currently goes to the general fund.