

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6206H.02I
 Bill No.: HB 2885
 Subject: Water Patrol; Boats and Watercraft; Lakes, Rivers and Waterways
 Type: Original
 Date: February 6, 2026

Bill Summary: This proposal requires all proceeds from boating registrations to be deposited in the Water Patrol Division Fund and used exclusively for the Water Patrol Division.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Total Estimated Net Effect on General Revenue	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Water Patrol Division Fund (1400)	\$1,000,000	\$1,000,000	\$1,000,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$1,000,000	\$1,000,000	\$1,000,000

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§306.030 – Vessel Registration Fees

Officials from the **Missouri Highway Patrol, Department of Revenue and Missouri Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes this proposal removes the requirement that the first \$1 million collected from vessel registration fees is deposited into General Revenue; instead, all fees collected shall be deposited into the Water Patrol Division Fund starting July 1, 2027.

Oversight notes, per the Department of Revenue, the following amounts have been deposited into the Water Patrol Division Fund (1400):

FY 2025	\$3,728,599
FY 2024	\$3,796,806
FY 2023	\$3,802,725

Oversight will reflect a revenue gain of \$1,000,000 per fiscal year to the Water Patrol Division Fund and a corresponding loss to General Revenue.

Oversight notes there was a balance of \$2,188,081 in the Water Patrol Division Fund as of January 31, 2026.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
Revenue Loss (§306.030) – First \$1M no longer transferred to GR p.3	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
WATER PATROL DIVISION FUND (1400)			
<u>Revenue Gain – MHP (\$306.030) First \$1M no longer transferred to GR p.3</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
ESTIMATED NET EFFECT ON THE WATER PATROL DIVISION FUND	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, the first one million dollars collected annually from registration fees for watercraft is deposited in the General Revenue Fund, and all remaining money is deposited in the Water Patrol Division Fund.

This bill requires all money collected from registration fees for watercraft after June 30, 2026, to be deposited in the Water Patrol Division Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Missouri Highway Patrol
Department of Revenue
Missouri Department of Transportation

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February 6, 2026