

National Park Service
U.S. Department of the Interior



Virgin Islands National Park Commercial Services Program

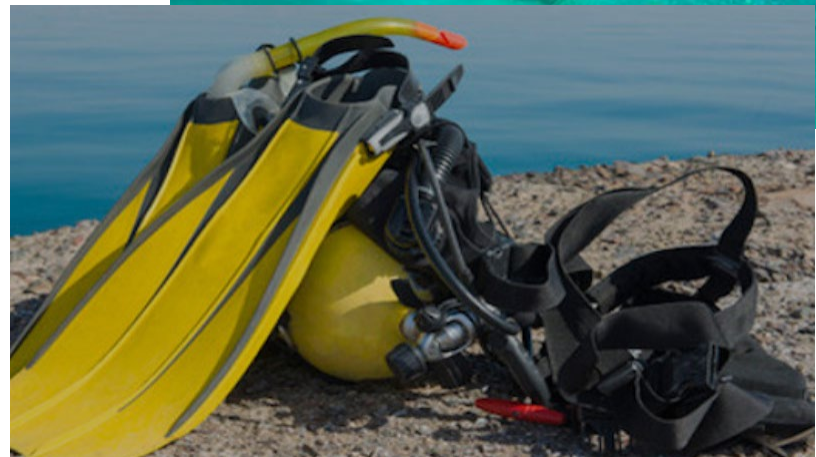


“Scenery is a hollow enjoyment to the tourist who sets out in the morning after an indigestible breakfast and a fitful night’s sleep on an impossible bed.”

- Stephen T. Mather, first Director of the National Park Service

Virgin Islands National Park Commercial Use Authorizations (CUAs)

- What is a CUA?
- When is a CUA required?
- Authorities, laws regulations & policies
- Determining Appropriate Services
- Types of CUAs
- CUA Fees and Revenues
- Required Insurance
- CUA Process



WHAT IS A CUA?

- Commercial use authorizations are granted to private businesses to permit small-scale commercial activities. CUAs may be issued to authorize services that:
 - Are determined to be an appropriate use of the park;
 - Will have minimal impact on park resources and values; and
 - Are consistent with the purpose for which the unit was established, as well as all applicable management plans, park policies, and regulations.



When is a CUA Required?

- A CUA is required if providing *ANY* goods, activities, services, agreements, or other function for park visitors that take place entirely or in part on lands managed by the NPS; use park resources; and result in compensation, monetary gain, benefit, or profit to the provider when a concession contract is not necessary.



Authorities & Guidance

- Public Law 105-391, 1998 Concession Management Improvement Act, Section 418
- NPS Management Policies, Ch. 10
- Regulation: 36 CFR Part 51
- NPS Commercial Services Guide, Ch. 11



Determining Appropriate Services

NPS **MUST** consider whether authorizing this commercial service would compromise the reasons for which the park was established.

VIRGIN ISLANDS NATIONAL PARK PURPOSE STATEMENT:

The purpose of Virgin Islands National Park is to preserve and protect for public benefit and inspiration outstanding scenic features, Caribbean tropical marine and terrestrial ecosystems in their natural conditions, and cultural heritage from pre-Columbian through Danish colonial times.

Additional Information to Determining Appropriate Services

Appropriate Services Must Be:

- Consistent with park purpose and significance
- Consistent with laws, regulations, and policies

And MAY NOT:

- Compromise public health and safety
- Cause unacceptable impacts to park resources or values
- Conflict with other park uses and activities
- Exclude general public from participating in limited recreational opportunities



Appropriate Services

Lodging Facilities

Food Services

Watersports Equipment

Scenic Tour Land and Sea

Swimming/Snorkeling Excursion

Guided Hiking Excursion

Guided Bicycling Excursion

Stand-up Paddle Boarding/Kayaking

Wedding/events organizers

Inappropriate Services

Water Skiing / Parasailing

Commercial Sport Fishing

Commercial Air Tour

Seaplanes

Rock Climbing



Types of CUAs Currently Appropriate in VIIS

- Wedding Coordination
- Land-Based Tours
- Vessel Tours and Excursions
- Hiking Tours
(Authorized Trails Only)
- Stand-up Paddle Board and
Kayaking

VIIS CUA QUICK STATS

2023 CUAs:
206

2024 CUAs (as of July 1):
177

CUA FEES - Application

- The CUA application fee is a mandatory, one-time, non-refundable fee submitted by the applicant. The application fee must be sufficient to allow the NPS to recover all administrative costs associated with reviewing and approving or denying applications.
- **NEW!** Web-based application system for the 2025 operating season. All NPS units issuing CUAs will require the same \$350 application fee.



CUA FEES – Management Fee

- The NPS must charge CUA holders a management fee that at a minimum recovers the costs of all CUA management after application approval. CUA management includes correspondence with the CUA holder, in-the-field monitoring, and the mitigation of resource impacts caused by the commercial activity.
- The NPS may calculate CUA management fees by one of two methods:
 - Direct Cost Recovery
 - Market Price

Management Fee - Direct Cost Recovery

The NPS may calculate a CUA management fee by determining the direct costs of managing the commercial service (direct cost recovery). Direct cost recovery allows the NPS to recover the full costs incurred by all park divisions involved in support of the commercial use, including:

- Monitoring the activities authorized by the CUA and cleaning up or restoring park lands or facilities.
- Charges for NPS personnel, equipment, and materials.

Management Fee – Market Price

Market price reflects the commercial value of the business opportunity. One method to calculate market price is to assess a fee based on the gross receipts earned as a result of doing business authorized by the CUA.

A tiered fee system looks like this:

CUA Gross Receipts	CUA Management Fee
<\$250,000	3% of gross receipts (minus application fee)
\$250,000 to \$500,000	4% of gross receipts (minus application fee)
>\$500,000	5% of gross receipts (minus application fee)

CUA Revenues

- Program areas where CUA funds can be applied:
 - Staff salaries
 - Training and development for staff (Related to commercial services)
 - Coral reef stabilization and disease treatment
 - Facility and road repairs
 - Enhanced visitor services & improvements
 - Mitigation for any impacts associated with activities authorized by CUAs

Operator Insurance Requirements

- Minimum liability insurance: \$500K minimum; higher based on service and level of risk.
 - Participants may sign Acknowledgement of Risk
 - Participants not permitted to sign Liability waiver, insurance disclaimer, or indemnification agreement!

Other Insurance Requirements

Commercial Automobile Liability and Physical Damage

Insurance: If a CUA holder transports passengers or uses a vehicle in the performance of the service specifically authorized by the CUA, they must obtain commercial automobile liability and physical damage insurance.

Protection & Indemnity (P&I) Vessel Insurance:

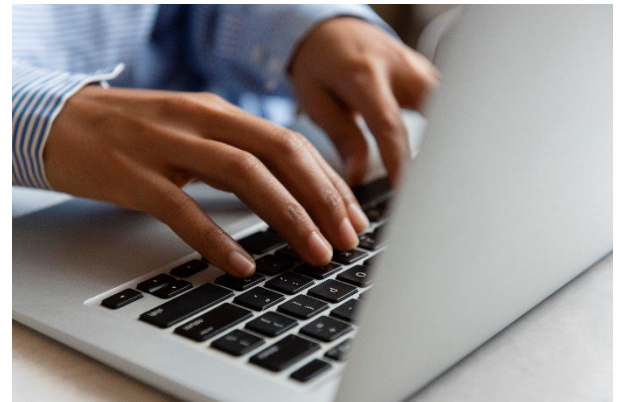
CUA holders authorized to transport passengers aboard or use a motor vessel may have P&I vessel insurance to cover claims for bodily injury, death, and property damage arising from the use of the vessel as an alternative to commercial general liability insurance.

CUA Process

- **Online CUA Application and Reporting System**

NPS is excited to announce the online CUA system which VIIS will begin to use for the 2025 season. The system is designed to standardize, modernize, and streamline the CUA application and reporting process. The system allows potential CUA applicants and CUA holders to view available CUA opportunities, apply for CUAs, submit required CUA reports, and pay CUA fees.

The Online CUA System site provides users with a help center that includes user videos, FAQs, and an assistance request feature. Most questions are addressed in the user video posted on the system's site. <https://cua.nps.gov>



Questions?



Thank you!