

Proposed Changes to Road-based Commercial Tour Requirements and Fees

BACKGROUND

In response to feedback from the commercial tour industry, the National Park Service is proposing to revise our Commercial Use Authorization (CUA) permitting policies. A number of road-based commercial tour¹ providers operate in more than one park unit and expressed frustration over inconsistencies in the NPS CUA program. Currently, operators must deal with varying CUA fees and lack of a standard CUA application process. This lack of consistency has led to tour operator confusion.

We are attempting to improve CUA processes by standardizing road-based commercial tour CUA requirements and by implementing an agency-wide road-based commercial tour CUA fee structure. The standard process will go into effect on January 1, 2019. Until that date, there will continue to be decentralized management of road-based commercial tour CUAs.

LEGISLATIVE REQUIREMENTS

All commercial service providers that do not operate under a NPS concessions contract must have a valid CUA to legally operate in a national park. The requirement is in 36 CFR 5.3:

36 CFR § 5.3 - Business operations. Engaging in or soliciting any business in park areas, except in accordance with the provisions of a permit, contract, or other written agreement with the United States, except as such may be specifically authorized under special regulations applicable to a park area, is prohibited.

Public Law 105-391 Section 418, passed in 1998, implements the requirement for NPS to collect a reasonable fee for CUA administration and management:

SEC. 418. COMMERCIAL USE AUTHORIZATIONS. (a) In General.—To the extent specified in this section, the Secretary, upon request, may authorize a private person, corporation, or other entity to provide services to visitors to units of the National Park System through a commercial use authorization. Such authorizations shall not be considered as concessions contracts pursuant to this title nor shall other sections of this title be applicable to such authorizations except where expressly so stated. (b)(2) Criteria for Issuance of Authorizations. Elements of authorization.—The Secretary shall— (A) require payment of a reasonable fee for issuance of an authorization under this section, such fees to remain available without further appropriation to be used, at a minimum, to recover associated management and administrative costs;

Under these current authorities, there is no basis to exempt road-based commercial tour operators from the requirements of the law.

¹ Road-based commercial tours are defined as one or more persons traveling on an itinerary that someone has packaged, priced or sold for leisure/recreational purposes and provides no other services except those incidental to road-based travel in a NPS area (on-board interpretation and incidental stops at visitor centers, restaurants, wayside exhibits, etc.).

STANDARDIZED CUA REQUIREMENT

For operations occurring after December 31, 2018, road-based commercial tour operators must obtain a CUA for each NPS unit in which they operate. Companies that lease charter vehicles to road-based commercial tour companies should inform the tour company of the road-based commercial tour CUA requirement. The following scenarios help explain the requirement:

Scenario 1: A tour company owns vehicles or rents vehicles and provides road-based commercial tours to passengers aboard those vehicles in a national park.

CUA Requirements: The tour company must have a road-based commercial tour CUA for each park in which it operates.

Scenario 2: A tour company uses a chartered transportation service to provide road-based tours in NPS. NPS defines chartered transportation service as exclusive use of a bus/van and driver for a negotiated price at the request of a third party.

CUA Requirements: The tour company must have a road-based commercial tour CUA for each park in which it operates. The chartered transportation company does not need a CUA if the tour company determines the origin, destination, and scheduling of the trip. The chartered transportation company *does* need a road-based commercial tour CUA if it advertises scheduled tours to national parks.

In addition to applying for and securing a CUA, road-based commercial tour CUA holders must submit a mandatory annual CUA report after each CUA operating season. The CUA Annual Report is a short, two-page form used to collect visitor statistics, reportable injuries, and financial information. The report is an Office of Management and Budget (OMB) approved information request and is required of every CUA holder in the National Park Service regardless of authorized commercial service type. Individual parks may also require road-based commercial tour CUA holders submit the OMB approved CUA Monthly Report (OMB form 10-660A). The monthly report only requires visitor statistic and injury reporting.

Road-based commercial tour operators may visit the new [NPS CUA Program webpage](#) to view examples of required CUA reports and learn how to apply for a road-based commercial tour CUAs. An easy to navigate map feature allows operators to plan tour routes and know in advance CUA requirements of each park in which they wish to operate.

REQUIRED ROAD-BASED COMMERCIAL TOUR FEES

All road-based commercial tour CUA fees stay within the collecting park and are used to recover CUA program costs and help fund visitor experience improvement projects. These projects may include facility maintenance and improvements (visitor centers, restrooms, etc.), parking lot and road improvements, updated wayside exhibits, and more.

Beginning January 1, 2019, all parks will charge commercial tour fees made up of three components: the CUA application fee, a CUA management fee, and an entrance fee².

² Only fee parks will charge a commercial tour entrance fee. The fee is waived in non-fee parks.

Application Fee

We will require an annual \$300 non-refundable CUA application fee to recover administrative costs of receiving, reviewing, and processing CUA applications and required reports. Some parks may choose to issue road-based commercial tour CUAs that are valid for two years. In this case, the initial non-refundable application fee will increase to \$600. CUA applicants pay this fee upon application submission. A separate application fee is due to each park in which a road-based commercial tour operator desires to conduct business. NPS will adjust the application fee periodically to account for increased costs including inflation.

Management Fee

We will require an annual CUA management fee to recover day to day road-based commercial tour management and monitoring costs and to fund improvement projects for visitors using road-based commercial tours. We will not charge a management fee to road-based commercial tour CUA applicants who withdraw applications, after application denial, or if a CUA holder chooses not to operate in NPS.

The CUA management fee is determined by assessing a \$5 per client fee. CUA holders pay the management fee upon submission of the CUA Annual Report (OMB 10-660). The report requires CUA holders identify the number of clients who used the CUA authorized service during the past year. NPS will adjust the management fee periodically to account for increased costs including inflation.

Management fee calculation relies upon accurate CUA holder reporting. Inaccurate reporting may result in CUA revocation, denial of subsequent CUA applications, and collection of debt in conjunction with the Office of Inspector General. We know the overwhelming majority of road-based commercial tour operators will accurately report client numbers, but welcome any ideas for methods ensuring accurate reporting in order to help address the very small minority of operators who may under-report.

Entrance Fee

The Omnibus Budget Reconciliation Act of 1993 amended the Land and Water Conservation Fund Act of 1965 by requiring the Secretary of Interior to establish a commercial tour fee "...to be imposed on each vehicle entering (each unit of the National Park Service for which an entrance fee is charged) for the purpose of providing commercial tour services within the unit." The NPS has not updated the commercial tour entrance fee schedule since implementation in 1998.

Beginning May 1, 2019 all parks that have a vehicle entrance rate must charge the commercial tour entrance fees based upon the most recent Commercial Vehicle Fee Schedule below. Parks that have a per person entrance rate only will charge the per person fee.

Entrance Group	Sedan Rate (1-6)	Van (7-15)	Mini Bus (16-25)	Motor Coach (26-56)	NEW Motor Coach (57+)
1	\$40	\$60	\$110	\$150	\$220
2	\$50	\$85	\$160	\$225	\$325
3	\$60	\$110	\$190	\$300	\$450
4	\$80	\$185	\$300	\$450	\$600

We are also proposing to implement peak-seasonal commercial tour entrance fees at 17 national parks. The peak-season for each park is defined as its busiest contiguous five month period of visitation. The proposed new fee structure will be implemented in Arches, Bryce Canyon, Canyonlands, Denali, Glacier, Grand Canyon, Grand Teton, Olympic, Sequoia & Kings Canyon, Yellowstone, Yosemite, and Zion National Parks with peak season starting on May 1, 2019; in Acadia, Mount Rainier, Rocky Mountain, and Shenandoah National Parks with peak season starting on June 1, 2019, and in Joshua Tree National Park with peak season starting on January 1, 2020. Proposed peak-season commercial tour entrance fees are below.

Entrance Group	Sedan Rate (1-6)	Van (7-15)	Mini Bus (16-25)	Motor Coach (26-56)	NEW Motor Coach (57+)
3	\$160	\$370	\$600	\$900	\$1200
4	\$160	\$370	\$600	\$900	\$1200

80% of the commercial tour entrance fees remain in the collecting park. The other 20% is spent on projects in other national parks. NPS would expend the funds on projects and activities that further the mission and purpose of the NPS, with an emphasis on deferred maintenance.

The NPS invites you to comment on the above proposed changes to commercial tour requirements and fees. Public comments will be accepted October 24, 2017 to November 23, 2017. To submit written comments, mail comments to: National Park Service, Recreation Fee Program, 1849 C Street, NW, Mail Stop: 2346 Washington, DC 20240.

The NPS is also proposing private non-commercial seasonal entrance fee rates. Proposal information and a public comment forum is available from October 24, 2017 to November 23, 2017 on the NPS Planning, Environment and Public Comment (PEPC) website at <https://parkplanning.nps.gov/proposedpeakseasonfeerates>.