

[Wording for introductory page.] The National Park Service will provide, through the use of concession contracts, or commercial use authorizations, commercial visitor services within parks that are necessary and appropriate for public use and enjoyment. Concession operations will be consistent to the highest practicable degree with the preservation and conservation of resources and values of the unit. Concession operations will demonstrate sound environmental management and stewardship.

Chapter 10: Commercial Visitor Services

10.1 General

Commercial visitor services will be authorized through concession contracts or commercial use authorizations, unless otherwise provided by law. Section 10.2 below addresses concession authorizations; section 10.3 addresses commercial use authorizations.

(See Leasing 8.12. Also see Director's Orders #48A: Concessions Management, and #48B: Commercial Use Authorizations)

10.1.1 Leasing

See Section 8.12.

10.2 Concessions

10.2.1 Concession Policies

Concession operations are subject to the provisions of the National Park Service Concessions Management Improvement Act of 1998; NPS regulations published at 36 CFR Part 51; this chapter of NPS *Management Policies*; and Director's Order #48A: Concession Management; and other specific guidance that may be issued under the Director's authority. In Alaska, concession operations are also subject to the provisions of the Alaska National Interest Lands Conservation Act and 36 CFR Part 13.

10.2.2 Commercial Visitor Services Planning

Commercial visitor services planning will identify the appropriate role of commercial operations in helping parks to achieve desired visitor use, enjoyment, and experiences, and will be integrated into other plans and planning processes. These plans will comply with other Service policies regarding planning and environmental analysis. Where feasible, concessions support facilities will be encouraged to locate outside of the park boundary.

Park managers will ensure a park commercial services strategy is in place that verifies concession facilities and services are necessary and appropriate, and financially viable and in an approved management plan. Commercial services plans may be developed to further implement a park's commercial services strategy and will support a park's purpose and significance, exceptional resource values, and visitor experience objectives, and will be consistent with

enabling legislation. A decision to authorize or expand a park concession will consider the effect on, or need for, additional infrastructure and management of operations, and will be based on a determination that the facility or service:

- is necessary and appropriate for the public use and enjoyment of the park in which it is located, and identified needs are not, nor can they be, met outside park boundaries,
- will be provided in a manner that furthers the preservation and conservation of park resources and values, and
- incorporates sustainable principles and practices in planning, design, siting, construction, utility systems, selection and recycling of building materials, and waste management,

Prior to initiating new services authorized under a concession contract, a market and financial viability study/analysis will be completed to ensure the overall contract is feasible.

The number, location, and sizes of sites assigned for concessions facilities will be the minimum necessary for proper and satisfactory operation of the facilities. Concession facilities will emphasize compatibility of design, be consistent with aesthetic values and the conservation of natural and cultural resources, and integrate sustainable design concepts.

For information about leasing historic structures for visitor services or other appropriate uses, see section 8.12 and Director's Order #38: Real Property Leasing.

10.2.3 Concession Contracting

Approved standard contract language will be used in all NPS concession contracts. Any deviations from such language must be approved in writing by the Director.

10.2.3.1 Terms and Conditions of Contracts/Authorizations

Concession services will be authorized under concession contracts unless otherwise authorized by law. The term of a concession contract will generally be 10 years or less. However, the Director may award a contract for a term of up to 20 years if the Director determines that the contract terms and conditions, including the required construction of capital improvements, warrant a longer term. In this regard, the term of concession contracts should be as short as is prudent, taking into account the financial requirements of the concession contract, the required construction of capital improvements, resource preservation and conservation, visitor needs, and other factors that the Director may deem appropriate. Proposed concession operations must be economically feasible and supported by a feasibility study prepared by a qualified individual.

10.2.3.2 Modifications/Amendments

Concession contracts may be modified only by written amendment. Amendments developed after the issuance of a concession contract must be consistent with current NPS policies and orders. Unless otherwise authorized by the contract, a concession contract may be amended to provide minor additional visitor services that are a reasonable extension of the existing services.

10.2.3.3 Extension

Concession contracts may be extended only in accordance with the requirements of 36 CFR Part 51, subpart D. The signature authority for contract extensions or amendments must be consistent with delegations of authority from the Director.

10.2.3.4 Competition

To obtain the best service provider and maximize benefits to the government, the National Park Service encourages competition in the awarding of concession contracts. The National Park Service also encourages, through outreach, the participation of American Indian, minority, and women-owned businesses when new business activities occur.

10.2.3.5 Third-party Agreements and Subconcessions

Unless specified in the contract, sub-concession or other third-party agreements, including management agreements, for the provision of visitor services that are required and/or authorized under concession contracts are not permitted. The Park Service may also advertise for a new concession contract to provide these additional services.

10.2.3.6 Multi-park Contracts

Concessioners operating in more than one park unit must have separate contracts for each park unit. When approved by the Director, an exception may be made in the case of those park units having common NPS management or where service is provided in contiguous park areas (for example, a pack trip that crosses the boundary of two adjoining parks, or where lack of opportunity for profit, geographic location, and type of service is not feasible within a single location).

10.2.3.7 Termination

The Service may terminate concession contracts for default and under any other circumstances specified in the concession contract.

10.2.4 Concession Operations

10.2.4.1 Operating Plans

The operating plan is an exhibit to the concession contract; the plan will describe operational responsibilities authorized in the contract between the concessioner and the Park Service. The plan is reviewed and updated annually by the Service in accordance with the terms of the contract. Operating plans are considered an integral part of a concessioner's contractual performance compliance. Some aspects of a concessioner's operating requirements may also be contained in general or specific provisions unique to that contract.

10.2.4.2 Service Type and Quality

It is the objective of the National Park Service that park visitors be provided with high-quality facilities and services. Where appropriate, the concession contract will specify a range of facility, accommodation, and service types that are to be provided at reasonable rates and standards to ensure optimal facility maintenance and quality services to visitors. Concessioners are not permitted to use or encourage pseudo-ownership concepts such as time shares or long term rental agreements that in any way alter the authorities of the NPS to manage the park and facilities.

10.2.4.3 Evaluation of Concession Operations

Concession operations will be regularly evaluated to ensure that park visitors are provided with high- quality services and facilities, which that are safe and sanitary, and meet National Park Service NPS environmental, health, safety, and operational standards. As outlined in the Concessioner Operational Evaluation Program, the evaluation results will provide a basis for NPS management to determine (1) whether to continue or terminate a concession contract, and (2) whether a concessioner is eligible to exercise a right of preference in the award of a qualified new concession contract for those categories of contracts where such a right is available by law.

10.2.4.4 Interpretation by Concessioners

Concessioners will be required to appropriately train their employees and, through their facilities and services, to instill in their guests an appreciation of the park, its purpose and significance, its proper and sustainable management, and the stewardship of its resources. When the provision of interpretive services is required by the contract, concessioners will provide formal interpretive training, approved by the NPS, for their employees, or will participate in formal interpretive training that is either offered by the Park Service or cosponsored by the concessioner.

Instilling appreciation of the park in visitors can be accomplished in many ways. For example, it can be accomplished through guided activities; the design, architecture, landscape, and decor of facilities; educational programs; interpretive menu design and menu offerings; and involvement in the park's overall interpretive program. Gift shop merchandise and displays also present opportunities to educate visitors about park history; natural, cultural, and historical resources; and sustainable environmental management.

Concession contracts will require the concessioner to provide all visitor services in a manner that is consistent with, and supportive of, the interpretive themes, goals, and objectives articulated in each park's planning documents, mission statement, and/or interpretive prospectus.

(See Interpretive Competencies and Skills 7.4)

10.2.4.5 Merchandise

The National Park Service will approve the nature, type, and quality of merchandise to be offered by concessioners. Although there is no Servicewide list of specific preferred merchandise, priority will be given to those sale items that interpret, and foster awareness, understanding, and appreciation of the park and its resources. Merchandise should have

1 interpretive labeling, or include other information to indicate how the merchandise is relevant to
2 the park and its interpretive program and themes.

3 Each concession operation with a gift shop will have a mission statement based on the park's
4 concession service plan or general management plan. Concessioners will develop and implement
5 a merchandise plan based on the park's gift shop mission statement. The merchandise plan must
6 be satisfactory to the Director, and should ensure that merchandise sold or provided reflects the
7 significance of the park and promotes the conservation of the park's geological resources,
8 wildlife, plant life, archeological resources, local Native American culture, local ethnic and
9 traditional culture, historical significance, and other park resources and values. The plan should
10 also integrate pollution prevention and waste-reduction objectives and strategies for merchandise
11 and packaging.

12 Merchandise must be available at a range of prices. Theme-related merchandise manufactured or
13 handcrafted in the United States—particularly in a park's geographic vicinity—will be
14 encouraged. The revenue derived from the sale of United States Indian, Alaska Native, native
15 Samoan, and Native Hawaiian handcrafts is exempt from any franchise fee payments.

16 **10.2.4.6 Artifacts and Specimens**

17 Concessioners will not be permitted to sell any merchandise in violation of laws, regulations, or
18 NPS policies. Some merchandise may be determined by the park superintendent to be locally
19 sensitive or inappropriate for sale, and may be prohibited for retail sale at the discretion of the
20 superintendent. The sale of original objects, artifacts, or specimens of a historic, archeological,
21 paleontological, or biological nature is prohibited. Replicated historic, archeological,
22 paleontological, or biological objects, artifacts, or specimens may be sold if they are obvious
23 replicas and clearly labeled.

24 Any geological merchandise approved for sale or exhibit by concessioners must be accompanied
25 by appropriate educational material and a written disclaimer clearly stating that such items were
26 not obtained from inside park boundaries. The proposed sale of any replicas, or of geological
27 merchandise, must be addressed in the gift shop merchandise plan.

28 **10.2.4.7 Rates**

29 The National Park Service must approve all rates charged to visitors by concessioners. The
30 reasonableness of a concessioner's rates and charges to the public will, unless otherwise
31 provided in the contract, be judged primarily on the basis of comparison with current rates and
32 charges for facilities and services of comparable character under similar conditions. Due
33 consideration will be given to length of season, provision for peak loads, average percentage of
34 occupancy, accessibility, availability and costs of labor and materials, type of patronage, and
35 other factors deemed significant by the NPS Director.

36 **10.2.4.8 Risk Management Program**

Concession contracts require each concessioner to develop a risk management program that is (1) appropriate in scope to the size and nature of the operation; (2) approved by the superintendent, and (3) in accord with the Occupational Safety and Health Act of 1970 and the National Park Service Concession Risk Management Program. Concessioners are responsible for managing all of their operations in a manner that minimizes risk and controls loss due to accident, illness, or injury. To ensure compliance, the Service will include a risk management evaluation as part of its standard operational review of concession operations.

10.2.4.9 Natural and Cultural Resource Management Requirements

Concessioners are required to comply with applicable provisions of all laws, regulations, and policies that apply to natural and cultural resource protection. The use, maintenance, repair, rehabilitation, restoration, or other modification of concession facilities that are listed in or eligible for the National Register of Historic Places are subject to the applicable provisions of all laws, executive orders, regulations, and policies pertaining to cultural properties. The National Park Service will assist concessioners in understanding and complying with regulations for the protection of historic properties (36 CFR Part 800) promulgated by the Advisory Council on Historic Preservation. Historic structures and their contents and museum objects that are in the control of concessioners will be treated in accordance with the appropriate standards contained in NPS guidance documents. **The Service will work closely with concessioners to integrate into concession activities the policies, procedures, and practices of Executive Order 13287: Preserve America.**

(See Chapter 4, Natural Resource Management; Use of Historic Structures 5.3.5.4.7. Also see Reference Manual 24: the Museum Handbook, and 28: the Cultural Resource Management Guideline; Director's Order #38: Real Property Leasing, and #48A: Concessions Management)

10.2.4.10 Environmental Program Requirements

In the operation of visitor services, concessioners will be required by contract to meet environmental compliance objectives by:

- complying with all applicable laws pertaining to the protection of human health and the environment, and
- incorporating best management practices (BMPs) in all operations, construction, maintenance, acquisition, provision of visitor services, and other activities under the contract.

With certain exceptions approved by the Director, concessioners will be required by contract to develop, document, implement, and comply fully with, to the satisfaction of the Director, a comprehensive, written environmental management program (EMP) to achieve environmental management objectives. The EMP must be updated at least annually, must be approved by the superintendent, **and should be appropriate to the nature and size of the operation.** The EMP must account for all activities with potential environmental impacts conducted by the concessioner, or to which the concessioner contributes. The scope and complexity of the EMP may vary based on the type, size, and number of concessioner activities. **Environmental performance by an offeror is considered during the evaluation of contract proposals.**

The National Park Service will review concessioner compliance with the EMP under the contract. The National Park Service will also conduct environmental compliance audits of all commercial visitor services at least every three years in accordance with the concessions environmental audit program. The concessioner will be responsible for corrective actions required by law and identified during the environmental compliance audits. The National Park Service will assist concessioners in understanding environmental program requirements, and will also include an environmental management evaluation as part of its annual standard operational reviews of concession operations.

(See Compensation for Damages 4.1.6; Integrated Pest Management Program 4.4.5.2; Compensation for Damages 5.3.1.3; Overnight Accommodations and Food Services 9.3.2. Also see Director's Order #48: Concession Management; Director's Order #83: Public Health)

10.2.4.11 Insurance

Concession contracts will identify the types and minimum amounts of insurance coverage required of concessioners in order to:

- provide reasonable assurance that concessioners have the ability to cover bona fide claims for bodily injury, death, or property damage arising from an action or omission of the operator,
- protect the government against potential liability for claims based on the negligence of the operators, and
- enable rapid repair or replacement of essential visitor facilities located on park lands damaged or destroyed by fire or other hazards.

Concessioners will not be permitted to operate without liability insurance. Under limited conditions, concessioners may operate without property insurance, as described in Director's Order #48A: Concession Management.

10.2.4.12 Food Service Sanitation Inspections

Concessioners who prepare food on or off park lands or serve food on park lands will be subject to inspection for compliance with all applicable health and sanitation requirements of local and state agencies, the U.S. Public Health Service, and the Food and Drug Administration.

(Also see Director's Order #83: Public Health)

10.2.4.13 Smoking

Generally, all NPS concession facilities will be smoke free. The only exceptions—which the Service does not encourage—will be specifically designated smoking areas and rooms if allowed by state and local law. The sale of tobacco products through vending machines is prohibited.

(Also see Director's Order #50C: Smoking Policy; Executive Order 13058 (Protecting Federal Employees and the Public from Exposure to Tobacco Smoke in the Federal Workplace))

10.2.5 Concessions Financial Management

Concession contracts must provide for payment to the government of a franchise fee, or other monetary consideration as determined by the Secretary, upon consideration of the probable value to the concessioner of the privileges granted by the particular contract involved. Such probable value will be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of the contract. Consideration of revenue to the United States is subordinate to the objectives of protecting and preserving park areas and providing necessary and appropriate services for visitors at reasonable rates.

10.2.5.1 Franchise Fees

The amount of the franchise fee or other monetary consideration paid to the United States for the term of the concession contract must be specified in the concession contract and may only be modified to reflect extraordinary unanticipated changes from the conditions anticipated as of the effective date of the contract. Contracts with a term of more than five years will include a provision that allows reconsideration of the franchise fee at the request of the Director or the concessioner in the event of such extraordinary unanticipated changes. Such provision will provide for binding arbitration in the event that the Director and the concessioner are unable to agree upon an adjustment to the franchise fee in these circumstances.

10.2.5.2 Franchise Fee Special Account

All franchise fees and other monetary considerations will be deposited into a Department of the Treasury special account. In accordance with the NPS Concessions Management Improvement Act of 1998, twenty percent (20%) will be available to support activities throughout the national park system, and eighty percent (80%) will be available to the park unit in which it was generated for visitor services and funding high-priority and urgently necessary resource management programs and operations.

10.2.5.3 Record-keeping System

All concessioners will establish and maintain a system of accounts and a record-keeping system that use written journals and general ledger accounts to facilitate the preparation of annual concessioner financial reports.

10.2.5.4 Annual Financial Reports

For each concession contract, concessioners will be required to submit a separate annual financial report that reflects only the operations they are authorized to provide under that particular contract.

10.2.5.5 Donations to the National Park Service

The National Park Service will not solicit or accept direct donations or gifts from entities that have or are seeking to obtain a concessions contract. The Park Service will not require any

concessioner to donate or make contributions to the Service under any circumstance, including the incorporation of such a requirement in concession contracts. Further guidance on donations is available in Director's Order #21: Donations and Fundraising.

10.2.6 Concession Facilities

All buildings under a concession contract are U.S. Government/Service-owned structures and are part of the overall facility inventory at each park. The concessioner may, depending on the contract, have a contractual right of compensation in the form of a leasehold surrender interest or possessory interest in one, some, or all of the buildings. Responsibilities for maintenance, environmental management, and other operational issues must be included in each concession contract. Park facility managers will work closely with the park's concession program managers to ensure that these government buildings are part of the overall park inventory and tracking systems. Park managers will ensure that possessory interests and leasehold surrender interest valuations conform to the terms and conditions of the concession contract.

10.2.6.1 Design

Concession facilities will be of a size and at a location that the Service determines to be necessary and appropriate for their intended purposes. All concession facilities must comply with applicable federal, state, and local construction codes, and meet accessibility requirements as set forth in applicable accessibility guidelines. Proposed concession facilities must conform to NPS standards for sustainable design, universal design, and architectural design. Concession development or improvement proposals must undergo review for compliance with the National Environmental Policy Act of 1969 and section 106 of the National Historic Preservation Act (16 USC 470f), and must be carried out in a manner consistent with applicable provisions of the *Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation* and other applicable legal requirements.

In addition to general park design requirements, the Park Service will apply value analysis during the design process to analyze the functions of facilities, processes, systems, equipment, services, and supplies. Value analysis must be used to help achieve essential functions at the lowest life-cycle cost, consistent with required performance, reliability, environmental quality, and safety criteria and standards.

(See Facility Planning and Design 9.1.1)

10.2.6.2 Accessibility of Commercial Services

Concessioners share the National Park Service's responsibility to provide employees and visitors with the greatest degree of access to programs, facilities, and services that is reasonable, within the terms of existing contracts and agreements. Applicable laws include, but are not limited to (1) regulations issued under the authority of section 504 of the Rehabilitation Act of 1973, as amended (43 CFR Part 17), which prohibits discrimination on the basis of disability in programs or activities conducted by federal executive agencies; and (2) the Architectural Barriers Act of 1968, which requires physical access to buildings and facilities. Where there is no specific

language identifying applicable accessibility laws in an existing concession contract, the Park Service will address the issue of compliance in the annual concession operating plan.

(See Physical Access for Persons with Disabilities 5.3.2; Accessibility for Persons with Disabilities 8.2.4 and 9.1.2. Also see Director's Order #42: Accessibility for Visitors with Disabilities)

10.2.6.3 Maintenance

Concession contracts will require concessioners to be responsible for all maintenance and repair of facilities, lands, and utility systems assigned for their use, in accordance with standards acceptable to the Service. Exceptions will be made only in extraordinary circumstances, as determined by the Director. All concession contracts must include a current maintenance plan as specified in the concession contract. Maintenance plans are an exhibit to the concession contract and will be considered an integral part of a concessioner's contractual performance compliance.

Maintenance of historic properties and cultural landscapes will be carried out in a manner consistent with applicable provisions of the *Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation*.

10.2.6.4 Utilities and Services

Utilities include, but are not limited to, electricity, fuel, natural gas, water, disposal of wastewater and solid waste, and communication systems. The Service may provide utilities to the concessioner for use in connection with the operations required or authorized under the contract, when available, at rates to be determined in accordance with applicable laws. If the Service does not provide utilities to the concessioner, the concessioner will, with the written approval of the Director and under any requirements prescribed by the Director, (1) secure necessary utilities at its own expense from sources outside the area; or (2) install the utilities within the area, subject to conditions of the contract.

(Also see Director's Order #35B: Sale of Park Utilities and Services to Support Activities within Parks)

10.2.6.5 Closure of Commercial Operations during Government Shutdown

The Anti-Deficiency Act requires federal agencies to suspend all nonessential activities whenever there is a failure to enact an appropriations bill or adopt a continuing resolution. All concessioner-operated programs and services must cease, and visitors must be asked to leave within 48 hours. All commercial facilities and services in a park will be closed to protect the safety of visitors and the integrity of park resources. Exceptions to this policy include concessions that are required for health and safety purposes or protection of the environment, or that are necessary to support park operations that are deemed essential, such as law enforcement.

Commercial facilities located on through-roads (roads or public highways that begin and end outside of a park, plus parkways) and public highways may remain open if doing so does not

1 result in additional costs to the park (for example, the staffing of entrance stations). These
 2 commercial facilities may include operations such as service stations, food services, stores, and
 3 lodging, or portions of such operations that will not contribute to additional park expenses. The
 4 commercial facility in question should have access directly from the road or highway and not
 5 require the reopening of park roads having other destinations. More specific aspects of closures
 6 may be guided by a Servicewide shutdown plan.

7 **10.2.7 Concessioner Employees and Employment Conditions**

8 **10.2.7.1 Nondiscrimination**

9 Concessioners will comply with all applicable laws and regulations relating to nondiscrimination
 10 in employment and the provision of services to the public. As the National Park Service strives
 11 to achieve workforce diversity, so too will concessioners be encouraged to recognize workforce
 12 diversity as a sound business practice.

13 **10.2.7.2 Substance Abuse**

14 In compliance with state and federal regulations condemning substance abuse, the Park Service
 15 prohibits the unlawful possession, use, or distribution of illicit drugs and alcohol. The Service
 16 also prohibits the unlawful manufacture, cultivation, processing, or transportation of illicit drugs.
 17 This policy applies to concessioners and their employees, at any facility or in any activity taking
 18 place on NPS lands. Concessioners are required to provide and advise employees about the
 19 availability of Employee Assistance Programs addressing substance abuse problems.

20 **10.2.8 National Park Service Employees**

21 **10.2.8.1 Accepting Gifts and Reduced Rates from Concessioners**

22 NPS employees may not receive concessioner goods or services at a discount unless it is in
 23 connection with official business, is to the government's advantage, and is provided for under the
 24 terms of a concession contract. However, employees may accept reduced rates or discounts
 25 offered by the concessioner when those same reduced rates or discounts are available to the
 26 general public.

27 NPS employees may not solicit or accept, directly or indirectly, any gift, gratuity, favor,
 28 entertainment, loan, or any other thing of monetary value from a concessioner or other person
 29 who conducts operations and activities that are regulated by the Department of the Interior.
 30 Employees should consult with their ethics counselor regarding the limited exceptions to the
 31 general prohibition on accepting gifts from outside sources.

32 **10.2.8.2 Employment of NPS Personnel or Family Members by Concessioners**

33 Federal law prohibits government employees from making recommendations, decisions, or
 34 approvals relating to applications, contracts, controversies, or other matters in which the
 35 employee or the employee's spouse or minor child has a financial interest. Park employees may

not make decisions, approvals, or recommendations related to concession activities when their spouse or dependent child is employed by a park concessioner in that particular park. For example, the spouse or dependent child of the superintendent, assistant superintendent, concession staff, environmental manager, or public health specialist may not be employed by a concessioner in the specific park in which the NPS employee works.

(Also see Director's Order #37: Home Businesses in Parks)

10.2.8.3 NPS Employee Ownership or Investment in Concession Businesses

Department of the Interior policy prohibits employees and their spouses and minor children from acquiring or retaining for commercial purposes any permit, lease, or other rights granted by the Department for conducting commercial services on federal lands. Therefore, no NPS concession contract or commercial use authorization to conduct commercial services in a park will be issued to NPS employees or their spouses and minor children who are owners, partners, corporate officers, or general managers of any business seeking such a contract in federal land managed by the Department of the Interior. Further, to avoid the appearance of partiality and conflicts of interest, and to comply with ethics laws that apply to all federal employees, NPS employees may not work on any matter involving a business in which they, their spouse, or their minor children have a financial interest.

10.2.8.4 Concession Management Personnel Qualifications

To effectively carry out the concession management program, managers and supervisors will make every effort to ensure that personnel selected for positions meet the essential competencies established for the position being filled. When concession management personnel lack the full complement of essential competencies or require refresher training for their position, managers and supervisors will ensure that those employees are trained and certified as competent. All personnel vacancy announcements issued for concession management must include program competencies.

10.3 Commercial Use Authorizations

Commercial use authorizations (CUAs) which are not considered as concession contracts, may be issued pursuant to section 418 of the National Park Service Concessions Management Improvement Act of 1998 (16 USC 5966). A commercial use authorization is a permit that authorizes suitable commercial services to park area visitors in limited circumstances as described in 10.3.1. A concession contract may be issued instead of the CUA when the Director determines that such services are necessary and appropriate and/or provision of such services require certain protections such as; legal, financial and resource provisions within a concession contract. A more detailed discussion of commercial use authorizations is included in Director's Order #48B: Commercial Use Authorizations.

10.3.1 General

Commercial use authorizations may be issued only to authorize services that (1) are determined to be an appropriate use of the park; (2) will have minimal impact on park resources and values; and (3) are consistent with the purpose for which the unit was established, as well as all applicable management plans and park policies and regulations.

10.3.2 Requirements

By law, a CUA must provide for

- payment of a reasonable fee, such fees to be used, at a minimum, to recover associated management and administrative costs,
- provision of services in a manner consistent to the highest practicable degree with the preservation and conservation of park resources and values, and
- limitation of liability of the Federal government arising from the commercial use authorization.

No park may issue commercial use authorizations in a quantity inconsistent with the preservation and proper management of park resources and values. Each park issuing commercial use authorizations will ensure that they contain provisions for the protection of visitors and the resources and values of the park.

10.3.3 Limitations

By law, commercial use authorizations may be issued only for

- commercial operations with annual gross receipts of not more than \$25,000 resulting from services originating and provided solely within a unit of the national park system pursuant to such authorization,
- the incidental use of resources of the unit by commercial operations that provide services originating and terminating outside of the boundaries of the unit, or
- such uses by organized children's camps, outdoor clubs, nonprofit institutions (including backcountry use), and such other uses as the Secretary of the Interior deems appropriate.

Nonprofits will be required to obtain commercial use authorizations only when they generate taxable income from the authorized use.

10.3.4 Construction Prohibition

By law, under no circumstances will a commercial use authorization provide for or allow construction of any structure, fixture, or improvement on federally owned land within any unit of the national park system.

10.3.5 Duration

By law, the maximum term for any commercial use authorization is two years in length. No rights of renewal are associated with commercial use authorizations.

1 **10.3.6 Other Contracts**

2 Holding or seeking to obtain a commercial use authorization does not preclude a person,
3 corporation, or other entity from submitting proposals for concessions contracts.