

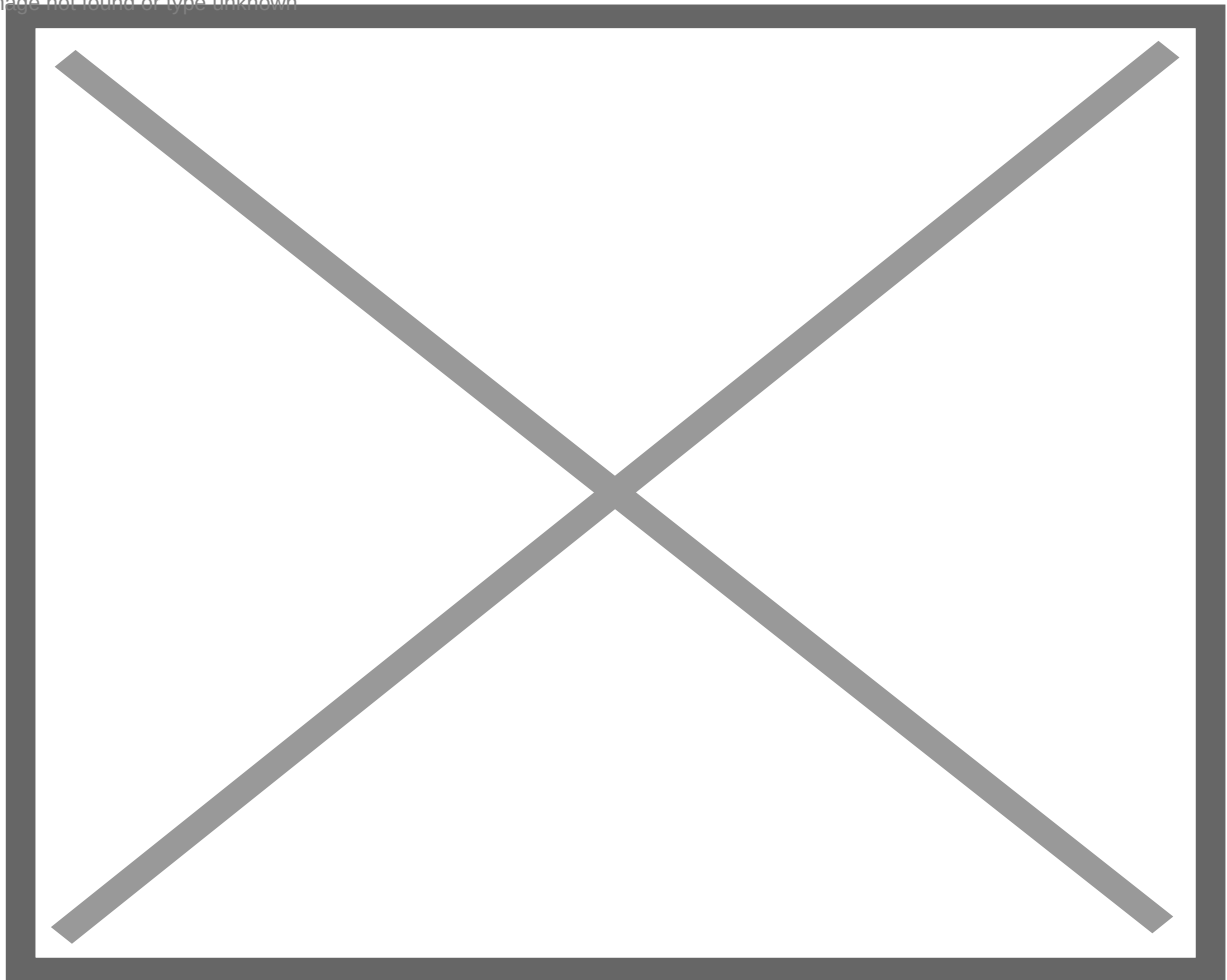
## Tourism Has Not Studied Potential Passenger Losses From Proposed Airport Fee Increases

**Tourism officials have not studied whether proposed airport fee increases could reduce travel to the USVI, saying final figures remain unsettled. Senators warned that waiting for certified numbers could leave the territory reacting after a deal is signed.**

Travel / **Published On August 04, 2026 06:28 AM /**

Nelcia Charlemagne **August 04, 2026**

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**The Cyril E. King Airport in St. Thomas. By. ERNICE GILBERT, V.I. CONSORTIUM.**

The Department of Tourism has not conducted an economic analysis of whether proposed passenger-fee increases under the public-private partnership to redevelop the territory's airports could raise ticket prices and reduce travel to the Virgin Islands, with officials saying the final fee levels remain unsettled as negotiations continue.

The absence of a study drew concern from several lawmakers during the department's budget hearing Monday, as senators urged Tourism to examine the potential effect on passenger demand before an agreement is finalized.

Sen. Kurt Violet asked whether the department had undertaken a feasibility study or "any type of economic analysis as to whether or not it's going to result in a decrease [in] passengers or whether or not there's not going to be any change."

Tourism Commissioner Jennifer Matarangas-King said conducting such a review remains difficult because the proposed fees have not been finalized.

She described a feasibility study as a "challenge for us right now because there are numbers that are being thrown around, but there has not been an actual final decision on what that is going to be."

Violet responded that officials nevertheless have a "ballpark range" that could be used to begin assessing the potential consequences.

Assistant Commissioner Alani Henneman said the absence of certified figures makes it difficult to develop a meaningful analysis.

"Until those numbers are certified and actually applied to the tickets, it makes it hard for us to go out and do an actual feasibility study without actual numbers," she said.

Henneman acknowledged that airlines have been meeting with local stakeholders and said "the commissioner has shared those concerns about the tickets." For now, however, she said the department's position is that "we continue to just let Port Authority lead on the process, and we're here to assist."

Matarangas-King pointed to continuing airline interest in the territory, including the addition of new service, as a positive indicator during the ongoing discussions.

"They're very, very interested in staying in this destination, and so that's a very, very good sign for us," she said.

Violet remained concerned that waiting until the figures are formally established would leave little time to respond.

"If we are waiting until the numbers are certified, it's going to be too late because then an agreement is going to be already executed," he said.

He said his concern was informed by St. Croix's experience with the cruise industry.

"The last time any tourism entity threatened to remove services from the Virgin Islands, that was with the cruise ships...They didn't remove the services from the Virgin Islands. They moved it from St. Croix only, and St. Croix did not have any cruise arrivals for two years," he said.

Sen. Marvin Blyden asked whether the Bureau of Economic Research had participated in any assessment of the possible economic consequences. Matarangas-King said it had not, explaining that there are "very specific things that are happening right now" that preempt the bureau's involvement.

Sen. Clifford Joseph also urged the department to evaluate the possible effects before negotiations conclude, even without a final fee structure.

“You guys really need to have a conversation or look at the numbers, regardless of what the numbers that they’re speaking about,” Joseph said.

He suggested using the highest figure under discussion to test whether the proposal remains viable.

“Use the highest number and see if it makes sense for this deal to carry on, because there are penalties that this government gonna have to pay the longer we take to make up our mind...” he said.

Matarangas-King reminded lawmakers that the discussions remain unresolved.

“P3 presented one plan. The airlines presented another plan, and they have come to an impasse, but there’s still ongoing negotiations, and we’re hopeful that it will come to a resolution that’s helpful for everyone.”

Joseph remained skeptical, questioning the company’s record and warning that costly government decisions can have lasting consequences.

“That particular company doesn’t work anywhere else in the U.S...They ain’t performing in the U.S... I keep telling us that every mistake that we make in this government gonna cost us more tomorrow.”