



DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 515

Cuban Assets Control Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is amending the Cuban Assets Control Regulations to implement portions of the President's foreign policy toward Cuba. This amendment removes an authorization for group people-to-people educational travel and provides a "grandfathering" provision to authorize certain group people-to-people educational travel that previously was authorized where the traveler has already completed at least one travel-related transaction (such as purchasing a flight or reserving accommodation) prior to [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

DATES: Effective: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: OFAC: Assistant Director for Licensing, 202-622-2480, Assistant Director for Regulatory Affairs, 202-622-4855, Assistant Director for Sanctions Compliance & Evaluation, 202-622-2490; or the Department of the Treasury's Office of the Chief Counsel (Foreign Assets Control), Office of the General Counsel, 202-622-2410.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document and additional information concerning OFAC are available from OFAC's website (www.treasury.gov/ofac).

Background

The Department of the Treasury issued the Cuban Assets Control Regulations, 31 CFR part 515 (the Regulations), on July 8, 1963, under the Trading With the Enemy Act (50 U.S.C. 4301-41). OFAC has amended the Regulations on numerous occasions. In particular, on November 9, 2017, OFAC, the Department of Commerce's Bureau of Industry and Security, and the Department of State (State) took coordinated actions to implement National Security Presidential Memorandum-5, "Strengthening the Policy of the United States Toward Cuba," signed by the President on June 16, 2017 (NSPM-5). Among other things, in accordance with section 3(b)(ii) of NSPM-5, OFAC amended § 515.565(b) to require that people-to-people educational travel be conducted under the auspices of an organization that is subject to U.S. jurisdiction and that sponsors such exchanges to promote people-to-people contact (group people-to-people educational travel) (82 FR 51998).

On April 17, 2019, National Security Advisor Ambassador John Bolton delivered a foreign policy address (April 2019 Address) announcing regulatory changes to further implement NSPM-5 and the President's foreign policy toward Cuba. Among other changes, the April 2019 Address announced that the Department of the Treasury would further restrict non-family travel.

In accordance with the April 2019 Address, OFAC is amending § 515.565 to remove the authorization for group people-to-people educational travel in § 515.565(b). OFAC is adding a "grandfathering" provision in § 515.565(b) to authorize certain group people-to-people educational travel that previously was authorized where the traveler has already completed at least one travel-related transaction (such as purchasing a flight or reserving accommodation) prior to [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Finally, OFAC is adding a Note to § 515.572(a)(2) highlighting the fact that the export or reexport of vessels or

aircraft providing carrier services under § 515.572(a)(2) requires separate authorization from the Department of Commerce.

Public Participation

Because the amendments of the Regulations involve a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, as well as the provisions of Executive Order 13771, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

Paperwork Reduction Act

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”) and § 515.572 of this part. Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information are covered by the Office of Management and Budget under control numbers 1505-0164, 1505-0167, and 1505-0168. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

List of Subjects in 31 CFR Part 515

Administrative practice and procedure, Banking, Blocking of assets, Cuba, Financial transactions, Reporting and recordkeeping requirements, Travel restrictions.

For the reasons set forth in the preamble, the Department of the Treasury’s Office of Foreign Assets Control amends 31 CFR part 515 as set forth below:

PART 515—CUBAN ASSETS CONTROL REGULATIONS

1. The authority citation for part 515 continues to read as follows:

Authority: 22 U.S.C. 2370(a), 6001-6010, 7201-7211; 31 U.S.C. 321(b); 50 U.S.C. 4301-4341; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 104-114, 110 Stat. 785 (22 U.S.C. 6021-6091); Pub. L. 105-277, 112 Stat. 2681; Pub. L. 111-8, 123 Stat. 524; Pub. L. 111-117, 123 Stat. 3034; E.O. 9193, 7 FR 5205, 3 CFR, 1938-1943 Comp., p. 1174; E.O. 9989, 13 FR 4891, 3 CFR, 1943-1948 Comp., p. 748; Proc. 3447, 27 FR 1085, 3 CFR, 1959-1963 Comp., p. 157; E.O. 12854, 58 FR 36587, 3 CFR, 1993 Comp., p. 614.

Subpart E — Licenses, Authorizations, and Statements of Licensing Policy

2. Amend § 515.565 by:

- a. Redesignating the Note to paragraphs (a) and (b) as Note 4 to paragraph (a);
- b. Revising the newly redesignated Note 4 to paragraph (a);
- c. Revising paragraph (b); and
- d. In paragraph (g), remove the phrase “general licenses” and add in its place “general license” and remove the text “or (b)”.

The revisions to read as follows:

§ 515.565 Educational activities.

(a) * * *

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Note 4 to paragraph (a): Each person relying on the general authorization in this paragraph must retain specific records related to the authorized travel transactions. See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements.

(b) *General license for certain people-to-people travel and related transactions where certain transactions were completed prior to [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].* Persons subject to U.S. jurisdiction are authorized to engage in people-to-people travel and related transactions for a trip consistent with paragraph (b) of this section as those provisions existed on April 17, 2019, provided the traveler completed at least one travel-related transaction (such as purchasing a flight or reserving accommodation) for that particular trip prior to [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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3. Amend § 515.572 by adding Note 1 to paragraph (a)(2) to read as follows:

§ 515.572 Provision of travel, carrier, other transportation-related, and remittance forwarding services.

(a) * * *

(2) * * *

Note 1 to paragraph (a)(2): The export or reexport to Cuba of items subject to the Export Administration Regulations (15 CFR part 730 et seq.), including vessels and aircraft used to provide carrier services, requires separate authorization from the Department of Commerce. See § 515.533.

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Dated: May 30, 2019.

Andrea Gacki,
Director, Office of Foreign Assets Control.

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