

government. BXA reminds exporters that the mailing of gift packages through U.S. mail still constitutes an export and must meet the content, frequency and dollar value requirements of §§ 746.2(a)(1)(viii) and 740.12 of the EAR, or be specifically licensed by BXA.

Although the Export Administration Act (EAA) expired on August 20, 1994, the President invoked the International Emergency Economic Powers Act and continued in effect the EAR, and, to the extent permitted by law, the provisions of the EAA in Executive Order 12924 of August 19, 1994, extended by Presidential notice of August 13, 1998 (63 FR 44121, August 17, 1998).

Rulemaking Requirements

1. This interim rule has been determined to be not significant for purposes of E.O. 12866.

2. Notwithstanding any other provision of law, no person is required to, nor shall any person be subject to a penalty for failure to comply with a collection of information, subject to the Paperwork Reduction Act (PRA), unless that collection of information displays a currently valid OMB Control Number. This rule involves a collection of information previously approved by the Office of Management and Budget under control number 0694-0088, "Multi-Purpose Application," which carries a burden hour estimate of 45 minutes per manual submission and 40 minutes per electronic submission. In addition, miscellaneous and recordkeeping activities account for 12 minutes per submission. As a result of this rule, the paper work burden on the public is increased by 22 hours on an annual basis.

3. This rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under E.O. 12612.

4. The provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military and foreign affairs function of the United States (Sec. 5 U.S.C. 553(a)(1)). Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this interim final rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under 5 U.S.C. or by any other law, the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable.

List of Subjects in 15 CFR Part 746

Exports, Foreign trade, Reporting and recordkeeping requirements.

Accordingly, 15 CFR chapter VII, subchapter C, is amended as follows:

PART 746—[AMENDED]

1. The authority citation for 15 CFR part 746 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 287c, 6004; E.O. 12918, 59 FR 28205, 3 CFR, 1994 Comp., p. 899; E.O. 12924, 3 CFR, 1994 Comp., p. 917; Notice of August 13, 1997 (62 FR 43629, August 15, 1997); Notice of August 13, 1998 (63 FR 44121, August 13, 1998).

2. Section 746.2 is amended by adding a new paragraph (b)(4)(iii) to read as follows:

§ 746.2 Cuba.

* * * * *

(b) * * *

(4) * * *

(iii) Exports of food (both solids and liquids) and agricultural commodities may be approved, on case-by-case basis, for use by independent non-government entities in Cuba. Such entities may not be controlled, owned or operated by the Cuban government. Applicants must demonstrate on the license application in Block 24, Additional Information, that the prospective class or classes of end-users are independent from the Cuban government.

(A) Agricultural commodities that will be considered for approval include, but are not limited to, insecticides, herbicides, pesticides, seeds and fertilizer. Agricultural equipment is not eligible under this paragraph (b)(4)(iii) for sale to Cuba.

(B) For purposes of this paragraph (b), independent non-government entities include, but are not limited to, religious groups, private farmers, and private sector undertakings such as family restaurants.

* * * * *

Dated: May 10, 1999.

R. Roger Majak,

Assistant Secretary for Export Administration.

[FR Doc. 99-12132 Filed 5-10-99; 3:39 pm]

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DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 515

Cuban Assets Control Regulations: Sales of Food and Agricultural Inputs; Remittances; Educational, Religious, and Other Activities; Travel-Related Transactions; U.S. Intellectual Property

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule; amendments.

SUMMARY: Pursuant to the President's announcement of January 5, 1999, the Treasury Department is amending the Cuban Assets Control Regulations to modify certain provisions with respect to remittances and travel-related transactions and to make other clarifying and conforming amendments to the regulations. The regulations also implement a statutory provision excluding from an existing general license transactions involving certain intellectual property used in connection with a business or assets that were confiscated.

EFFECTIVE DATE: May 10, 1999.

FOR FURTHER INFORMATION CONTACT: Dennis P. Wood, Chief, Compliance Programs Division (tel.: 202/622-2490); Steven I. Pinter, Chief of Licensing (tel.: 202/622-2480); Charles L. Bishop, OFAC-Miami Sanctions Coordinator (tel.: 305/810-5140); or William B. Hoffman, Chief Counsel (tel.: 202/622-2410); Office of Foreign Assets Control, Department of the Treasury, Washington, DC 20220.

SUPPLEMENTARY INFORMATION:

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Page) = <http://www.fedworld.gov>; FTP = <ftp.fedworld.gov> (192.239.92.205). Additional information concerning the programs of the Office of Foreign Assets Control is available for downloading from the Office's Internet Home Page: <http://www.treas.gov/ofac>, or in fax form through the Office's 24-hour fax-on-demand service: call 202/622-0077 using a fax machine, fax modem, or (within the United States) a touch-tone telephone.

Background

On January 5, 1999, President Clinton announced that the United States is taking additional steps to expand the flow of humanitarian assistance to Cuba and strengthen independent civil society in that country. Among the initiatives the President announced were an expansion of remittances to support Cuban families and organizations independent of the Cuban government; expansion of people-to-people contact through two-way exchanges among academics, athletes, scientists, and others and streamlining the approval process for their visits; and the sale of food and agricultural commodities to independent nongovernmental entities.

The U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") is implementing these steps through amendments to the Cuban Assets Control Regulations, 31 CFR Part 515 (the "CACR"), and reorganizing the CACR to place related provisions together. In addition, OFAC is implementing section 211 of Division A, Title II, of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277 [H.R. 4328]), excluding from the scope of the general license contained in § 515.527 any transaction or payment with respect to a mark, trade name, or commercial name that is the same as or substantially similar to a mark, trade name, or commercial name that was used in connection with a business or assets that were confiscated, unless the original owner of the mark, trade name, or commercial name or the bona fide successor-in-interest has expressly consented.

Remittances

In implementation of the President's policy statement, these amendments include a new general license allowing any person subject to U.S. jurisdiction who is 18 years of age or older to make remittances of up to \$300 in any consecutive 3-month period to the household of any individual in Cuba or the authorized trade territory (defined in § 515.322 of the CACR to mean all

countries not subject to economic sanctions administered by OFAC pursuant to chapter V, 31 CFR) who is not a senior government or senior communist party official of Cuba. Persons subject to U.S. jurisdiction may also be specifically licensed to send remittances to organizations independent of the Cuban government. Descriptions of specific amendments concerning remittances follow.

Old § 515.521 previously contained a general license authorizing remittances, including those from blocked accounts in the name of the payee or members of his or her household, not to exceed \$100 per calendar month to Cuban nationals in the authorized trade territory. Old § 515.556 stated that remittances from blocked accounts sent to Cuban nationals located in the authorized trade territory pursuant to § 515.521 could be increased on a case-by-case basis upon a showing that such increase was reasonable and necessary. These sections have been largely superseded by the new policy contained in new § 515.570 on remittances to Cuban nationals. The previous authorization for limited remittances from blocked accounts in § 515.521, and the reference to it in § 515.566, however, are now incorporated in § 515.570(a)(2), (b)(3) and (d)(3), respectively.

The general license contained in old § 515.563 permitting certain remittances to close relatives in Cuba is also incorporated in new § 515.570. In addition to the family remittance and the two existing \$500 emigration remittances, a new individual-to-household remittance, not to exceed \$300 per quarter, is now authorized by general license to any household of a Cuban national in Cuba or the authorized trade territory whose household does not include a senior Cuban government or communist party official. A remitter may not send both a family remittance and an individual-to-household remittance to the same household within the same 3-month period. New § 515.570 also provides for specific licenses authorizing remittances to independent nongovernmental entities in Cuba.

Travel-Related Transactions

Travel-related transactions are now generally authorized in connection with specified news support, professional research, and athletic activities, and are authorized in connection with broad classes of educational and religious activities in Cuba conducted under the auspices of U.S. academic institutions or U.S. religious organizations that receive long-term specific licenses. In addition, specific licenses may be

issued for travel-related transactions in connection with cultural activities, humanitarian projects, and certain trade transactions found consistent with relevant export licensing policies. Authorization of travel-related transactions related to exportations, however, does not extend to the authorization of the exportation itself. Descriptions of specific amendments concerning travel-related transactions follow.

Section 515.420 is added to set forth OFAC's interpretation of fully-hosted travel involving Cuba, previously contained in old § 515.560(g).

Old § 515.518 contained a general license permitting debits to blocked accounts held in the name of Cuban nationals for their living, traveling, and similar personal expenses in the United States, not to exceed \$250 per calendar month. This provision has now been consolidated with old § 515.564 (authorizing the same transactions on behalf of Cuban nationals in the United States from non-blocked sources) in new § 515.571.

Section 515.533, authorizing transactions incident to exportations of goods directly from the United States to Cuba that are authorized by the Department of Commerce, is amended to add a statement that specific licenses may be issued authorizing travel-related transactions for purposes related to the marketing, sales negotiation, accompanied delivery, or servicing of exports. Exportations themselves must be specifically licensed by the Department of Commerce. Section 511.533 is also amended to state that financing for exportations to Cuba of food and agricultural commodities authorized by the Department of Commerce is not authorized.

The authorization in old § 515.540 for the importation of Cuban-origin goods (other than alcohol and tobacco) contained in personal baggage carried by foreign nationals entering the United States has been moved to new § 515.569.

The authorization in § 515.545 for transactions directly incident to the importation or exportation of information and informational materials is amended to note that specific licenses may be issued authorizing travel-related transactions for purposes related to such activities.

Section 515.559, governing licensing policy with respect to transactions by U.S.-owned or controlled foreign firms with Cuba, is amended to add a statement that specific licenses may be issued authorizing travel-related transactions for purposes related to marketing, sales negotiation, accompanied delivery, or servicing of

exports found consistent with relevant OFAC export licensing policy; for example, exports of medicine and medical supplies.

Old § 515.560 authorized by general or specific license travel-related transactions to and within Cuba incident to specified activities set forth in that section. New § 515.560 continues to set forth the types of transactions that may be authorized incident to travel to Cuba, but the underlying activities for which such transactions may be authorized are now described in separate, self-contained sections, referenced in paragraph (a) of § 515.560. Paragraph (b) of § 515.560 is amended to cite OFAC's general licensing authority referred to in § 515.801 to license travel-related transactions for activities not specifically covered in part 515. Paragraph (c) of § 515.560 continues to list the travel-related transactions that may be authorized for generally and specifically licensed travelers to Cuba. Paragraph (c)(2) of § 515.560 increases the per diem for expenses in Cuba from \$100 to the amount authorized for civilian employees of the United States Government in Havana, Cuba, currently set at \$183. Changes in the per diem rate are published as required in the monthly State Department publication "Maximum Travel Per Diem Allowances for Foreign Areas," available from the Government Printing Office or on the Internet at <http://www.state.gov/www/perdiems/index.html>. New § 515.560 also incorporates old § 515.569, governing currency carried to Cuba by authorized travelers.

Section 515.561, previously reserved, now contains the general license authorizing travel-related transactions for the purpose of visiting close relatives in Cuba, previously contained in old § 515.560(a)(1)(iii). This general license, available once in any 12-month period, is only available in cases involving "humanitarian need." Any additional visits within a 12-month period require specific licensing under § 515.561(b), based on "humanitarian need."

Old § 515.562, authorizing U.S.-owned or controlled foreign firms to bunker vessels or fuel aircraft owned or controlled by, or chartered to, Cuba or nationals thereof, is moved to § 515.558. New § 515.562 now contains the general license authorizing travel-related and other transactions directly incident to official government travel to, from, and within Cuba, previously contained in § 515.560(a)(1)(i).

New § 515.563 now contains the general license for travel-related and other transactions directly incident to journalism, previously contained in old § 515.560(a)(1)(ii) and now expanded to

include travel-related transactions on the part of persons regularly employed as supporting broadcast or technical personnel. New § 515.563 also incorporates the specific licensing criteria for free-lance journalism previously set forth as an interpretive provision in old § 515.417 and now expanded to allow for specific licenses authorizing transactions for multiple trips to Cuba in certain cases.

Old § 515.564, authorizing transactions incident to travel to, from, and within the United States by certain Cuban nationals, is incorporated in new § 515.571. New § 515.564 consolidates old §§ 515.416, 515.419(a)(1), and 515.560(b), setting forth a general license for travel-related and other transactions directly incident to professional research and attendance at professional meetings in Cuba hosted by international organizations; these activities were previously authorized only by specific license.

Old § 515.565, authorizing transactions for public exhibitions and performances by specific license, is incorporated in new § 515.567. New § 515.565 consolidates old §§ 515.419, 515.560(b), and 515.573 to authorize travel-related and other transactions directly incident to a wide range of educational activities, including those undertaken by secondary school students, where the traveler carries a letter from his or her academic institution located in the United States confirming that he or she is affiliated with that institution. Use of this authorization requires that the accredited U.S. academic institution under whose auspices the educational activities are undertaken first obtain a specific license from OFAC authorizing the institution and its students and employees to engage in travel-related and other transactions directly incident to the generally-licensed educational activities set forth in § 515.565(a)(2)(i) to (a)(2)(vii). Such activities include teaching at a Cuban academic institution by persons employed in a teaching capacity in the United States, as well as sponsoring Cuban scholars to teach or engage in other scholarly activity in the United States, including the payment of a stipend or salary to the sponsored scholars. In addition, specific licenses pursuant to § 515.565(b) may be issued authorizing transactions incident to certain educational activities not covered by a specific license issued pursuant to § 515.565(a) to a U.S. academic institution or incident to certain educational exchanges not involving academic study pursuant to a degree program.

Old § 515.566, previously setting forth the criteria pursuant to which persons may be authorized to engage in transactions involving Cuba as travel or carrier service providers or family remittance forwarders, is moved to new § 515.572. New § 515.566(a) authorizes travel-related and other transactions directly incident to religious activities in Cuba, where the traveler carries a letter from his or her religious organization located in the United States confirming that he or she is affiliated with that organization and is traveling to Cuba to undertake religious activities under the organization's auspices. Use of this authorization requires that the U.S. religious organization itself obtain a specific license from OFAC authorizing the religious organization and affiliated individuals and groups to engage in travel-related and other transactions that are directly incident to religious activities in Cuba under the auspices of the licensed religious organization. Pursuant to § 515.566(b), specific licenses may also be issued for other religious activities in Cuba.

Old § 515.567, setting forth specific licensing criteria for unblocking certain corporate assets, is now contained in § 515.521. New § 515.567(a) sets forth a general license authorizing travel-related and other transactions directly incident to certain amateur and semi-professional athletic competitions by athletes or teams. Paragraph (b) of § 515.567 incorporates old § 515.565, setting forth the specific licensing criteria for travel-related and other transactions directly incident to participation in a public performance, clinic, workshop, athletic or other competition, or exhibition in Cuba, or for transactions on behalf of a Cuban national in the United States for the purpose of participation in such activities. Specific licenses authorizing transactions for multiple trips to Cuba for these purposes may also be issued.

Old § 515.568, setting forth specific licensing criteria for unblocking certain decedent estate assets, is moved to § 515.522.

Old § 515.569, governing the carriage of currency by travelers to Cuba, has been incorporated into new § 515.560. New § 515.569 now contains old § 515.540, generally authorizing foreign persons to import Cuban-origin goods (except for tobacco and alcohol) as accompanied baggage when entering the United States.

Old § 515.572, setting forth specific licensing criteria for the operation of news bureaus in Cuba, is moved to new § 515.573.

Section 515.574, setting forth specific licensing criteria for authorizing transactions in support of the Cuban people, is amended to add a statement that specific licenses may be issued authorizing travel-related transactions for such activities.

Section 515.575 is added to set forth specific licensing criteria for authorizing travel-related and other transactions for certain humanitarian projects designed to directly benefit the Cuban people, including medical and health-related, environmental, small-scale enterprise, and agricultural and rural development projects. Specific licenses authorizing transactions for multiple trips to Cuba for these purposes may also be issued.

Section 515.576 is added to set forth specific licensing criteria for authorizing travel-related and other transactions for activities of private foundations or research or educational institutes with an established interest in international relations. Specific licenses authorizing transactions for multiple trips to Cuba for these purposes may also be issued.

Miscellaneous Provisions

Section 515.206 of the CACR is amended to conform the scope of exempt transactions to include the statutory exemption for the donation of food to nongovernmental organizations or individuals in Cuba contained in section 1705(b) of the Cuban Democracy Act (22 U.S.C. 6001-6010, 6004(b)).

Section 515.527 of the CACR is amended to conform the scope of authorized transactions pertaining to intellectual property rights to the statutory restriction contained in section 211 of Division A, Title II, of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277 [H.R. 4328]), excluding from the scope of the general license contained in § 515.527 any transaction or payment with respect to a mark, trade name, or commercial name that is the same as or substantially similar to a mark, trade name, or commercial name that was used in connection with a business or assets that were confiscated, unless the original owner of the mark, trade name, or commercial name or the bona fide successor-in-interest has expressly consented.

Old § 515.571, waiving under certain circumstances the prohibition contained in § 515.207 (prohibiting certain vessels that have engaged in trade with Cuba from entering U.S. ports), is moved to § 515.550 and amended to expand the waiver to cover vessels involved in any trade transactions authorized pursuant to § 515.533.

The following two charts provide easy reference to the regulatory changes that have been made: the first lists the new section designations, their subjects, and from what former sections they are derived; the second lists the former section designations and indicates where the content of the old sections now appears.

Derivation of New Sections

New Section	Subject	Source
§ 515.420	Fully-hosted travel	§ 515.560(g)
§ 515.521	Blocked corporate assets	§ 515.567
§ 515.522	Blocked estate assets	§ 515.568
§ 515.550	Vessel waiver	§ 515.571
§ 515.558	Cuban carriers	§ 515.562
§ 515.561	Family visits	§ 515.560(a)
§ 515.562	Official travel	§ 515.560(a)
§ 515.563	Journalism	§§ 515.417, 515.560(a)
§ 515.564	Professional research	§§ 515.416, 515.419(a)(1), 515.560(b), CDA
§ 515.565	Educational activities	§§ 515.419, 515.560(b), 515.573
§ 515.566	Religious activities	§ 515.560(b)
§ 515.567	Athletic/cultural activities	§ 515.565
§ 515.568	Reserved	
§ 515.569	Foreign persons' baggage	§ 515.540
§ 515.570	Remittances	§§ 515.521, 515.556, 515.563
§ 515.571	Cubans in United States	§§ 515.518, 515.564
§ 515.572	Travel and carrier service	§ 515.566
§ 515.573	News organizations	§ 515.572
§ 515.575	Humanitarian projects	§ 515.560(b); new
§ 515.576	Foundation projects	§ 515.416(a)(1), (ii); new

Distribution of Former Sections

Former Section	Subject	New Location
§ 515.416	Professional research	§ 515.564
§ 515.417	Free-lance journalism	§ 515.563(b)

Former Section	Subject	New Location
§ 515.419	Educational activities	§ 515.565
§ 515.518	Cubans in United States	§ 515.571(b)
§ 515.521	Remittances to Cubans	§ 515.570
§ 515.540	Foreign persons' baggage	§ 515.569
§ 515.556	Remittances to Cubans	§ 515.570
§ 515.558	Sole proprietors	§ 515.546
§ 515.562	Cuban carriers	§ 515.558
§ 515.563	Family remittances	§ 515.570
§ 515.564	Cubans in United States	§ 515.571(a)
§ 515.565	Public exhibitions	§ 515.567(b)
§ 515.566	Travel and carrier service	§ 515.572
§ 515.567	Blocked corporate assets	§ 515.521
§ 515.568	Blocked estate assets	§ 515.522
§ 515.569	Currency	§ 515.560
§ 515.571	Vessel waiver	§ 515.550
§ 515.572	News organizations	§ 515.573
§ 515.573	Educational activities	§ 515.565

Because the Regulations involve a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act (5 U.S.C. 553)(the "APA") requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date 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 Regulations are being issued without prior notice and public comment procedure pursuant to the APA. The collections of information related to the Regulations are contained in 31 CFR part 501 (the "Reporting and Procedures Regulations"). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505-0164. 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, Air carriers, Banks, banking, Blocking of assets, Cuba, Currency, Estates, Exports, Foreign investment in the United States, Foreign trade, Imports, Informational materials, Intellectual property, Penalties, Publications, Reporting and recordkeeping requirements, Securities, Shipping, Specially designated nationals, Terrorism, Travel restrictions, Trusts and trustees, Vessels.

For the reasons set forth in the preamble, 31 CFR part 515 is amended as set forth below:

PART 515—CUBAN ASSETS CONTROL REGULATIONS

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

Authority: 18 U.S.C. 2332d; 22 U.S.C. 2370(a), 6001-6010, 6021-6091; 31 U.S.C. 321(b); 50 U.S.C. App. 1-44; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 105-277; E.O. 9193, 7 FR 5205, 3 CFR, 1938-1943 Comp., p. 1147; E.O. 9989, 13 FR 4891, 3 CFR, 1943-48 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 D—Prohibitions

2. Section 515.206 is amended as follows:

A. The section heading is revised to read as set forth below.

B. Paragraphs (a) through (d) are redesignated as paragraphs (a)(1) through (a)(4).

C. A heading for paragraph (a) is added as set forth below.

D. Redesignated paragraph (a)(3) is amended by removing the words "section 779 of the Export Administration Regulations, 15 CFR parts 768-799," and adding in their place the words "the Export Administration Regulations, 15 CFR parts 730-774,".

E. Redesignated paragraph (a)(4) is amended by removing the words "§ 515.560 or by specific license." and adding in their place "§ 515.545."

F. New paragraph (b) is added to read as follows:

§ 515.206 Exempt transactions.

(a) Information and informational materials. (1) * * *

* * * * *

(b) Donation of food. The prohibitions contained in this part do not apply to transactions incident to the donation of

food to nongovernmental organizations or individuals in Cuba.

Subpart C—General Definitions

3. Section 515.302 is amended as follows:

A. Paragraph (b) is redesignated as new paragraph (c).

B. New paragraph (b) is added to read as follows:

§ 515.302 National.

* * * * *

(b) Persons who travel in Cuba do not become nationals of Cuba solely because of such travel.

* * * * *

Subpart D—Interpretations

§ 515.407 [Amended]

4. Section 515.407 is amended by revising "§ 515.568" to read "§ 515.522".

§ 515.415 [Amended]

5. Section 515.415 is amended as follows:

A. Paragraph (b) is amended by revising "§ 515.564" to read "§ 515.571".

B. Paragraph (c) is amended by removing the words "within the general license of § 515.560" and adding in their place "as set forth in § 515.560(c)".

§ 515.416 [Removed and reserved]

6. Section 515.416 is removed and reserved.

§ 515.417 [Removed and reserved]

7. Section 515.417 is removed and reserved.

§ 515.418 [Amended]

8. Paragraph (b) of § 515.418 is amended by revising "515.560(b)", wherever it appears, to read "515.545".

§ 515.419 [Removed and reserved]

9. Section 515.419 is removed and reserved.

10. Section 515.420 is added to Subpart D to read as follows:

§ 515.420 Fully-hosted travel to Cuba.

(a) A person subject to the jurisdiction of the United States who is not authorized to engage in travel-related transactions in which Cuba has an interest will not be considered to violate the prohibitions of this part when a person not subject to the jurisdiction of the United States covers the cost of all transactions related to the travel of the person subject to the jurisdiction of the United States (the "fully-hosted" traveler), provided that:

(1) No person subject to the jurisdiction of the United States has

made any payments or transferred any property or provided any service to Cuba or a Cuban national in connection with such fully-hosted travel or has prepaid or reimbursed any person for travel expenses, except as authorized in paragraph (b) of this section; and

(2) The travel is not aboard a direct flight between the United States and Cuba authorized pursuant to § 515.572.

(b) Travel will be considered fully hosted notwithstanding a payment by a person subject to the jurisdiction of the United States for transportation to and from Cuba, provided that the carrier furnishing the transportation is not a Cuban national. Persons authorized as travel service providers pursuant to § 515.572 may book passage on behalf of fully-hosted travelers through to Cuba, provided that such travel is not on a direct flight from the United States and that the carrier furnishing the transportation is not a Cuban national.

(c) Unless otherwise authorized pursuant to this part, any person subject to the jurisdiction of the United States who has traveled to Cuba shall be presumed to have engaged in travel-related transactions prohibited by § 515.201. This presumption may be rebutted by a statement signed by the traveler providing specific supporting documentation showing that no transactions were engaged in by the traveler or on the traveler's behalf by other persons subject to U.S.

jurisdiction or showing that the traveler was fully hosted by a third party not subject to the jurisdiction of the United States and that payments made on the traveler's behalf were not in exchange for services provided to Cuba or any national thereof. The statement should address the circumstances of the travel and explain how it was possible for the traveler to avoid entering into travel-related transactions such as payments for meals, lodging, transportation, bunkering of vessels, visas, entry or exit fees, and gratuities. If applicable, the statement should state what party hosted the travel and why. The statement must provide a day-to-day account of financial transactions waived or entered into on behalf of the traveler by the host, including but not limited to visa fees, room and board, local or international transportation costs, and Cuban airport departure taxes. In the case of pleasure craft calling at Cuban marinas, the statement must also address related refueling costs, mooring fees, club membership fees, provisions, cruising permits, local land transportation, and departure fees. Travelers fully hosted by a person or persons not subject to the jurisdiction of the United States must also provide an

original signed statement from their sponsor or host, specific to that traveler, confirming that the travel was fully hosted and the reasons for the travel.

Note to paragraph (c): Travelers should be aware that fully-hosted travelers are not travelers whose travel-related transactions are licensed pursuant to this part and therefore such fully-hosted travelers may not engage in the travel-related transactions set forth in § 515.560(c), including the purchase and importation of up to \$100 of Cuban merchandise for personal use. All documentation described in paragraph (c) of this section is subject to the recordkeeping requirements, including the record retention period, in § 501.601 of this chapter.

(d) Persons planning to travel to Cuba may access the Office of Foreign Assets Control's information resources over the Internet at <http://www.treas.gov/ofac>, through the office's fax-on-demand service at 202/622-0077, or by calling the office's Compliance Programs Division at 202/622-2490, prior to their departure to familiarize themselves with the requirements for fully-hosted travel. Other inquiries concerning travel-related transactions should be addressed to the Licensing Division, Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW—Annex, Washington, DC 20220.

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

§ 515.518 [Removed and reserved]

11. Section 515.518 is removed and reserved.

§§ 515.521, 515.563, 515.564, 515.565, 515.569, 515.573 [Removed]

12. Sections 515.521, 515.563, 515.564, 515.565, 515.569, and 515.573 are removed.

13. The sections listed in the first column below are redesignated as shown in the second column:

Old Section	New Section
§ 515.540	§ 515.569
§ 515.558	§ 515.546
§ 515.562	§ 515.558
§ 515.566	§ 515.572
§ 515.567	§ 515.521
§ 515.568	§ 515.522
§ 515.571	§ 515.550
§ 515.572	§ 515.573

§ 515.523 [Amended]

14. Paragraph (b)(3) of § 515.523 is amended by revising “§ 515.568” to read “§ 515.522”.

§ 515.525 [Amended]

15. Paragraph (b) of § 515.525 is amended by revising “§ 515.523, § 515.568” to read “§ 515.522, § 515.523”.

16. Section 515.527 is amended by designating the existing text as paragraph (a)(1) and adding paragraph (a)(2) to read as follows:

§ 515.527 Certain transactions with respect to United States intellectual property.

(a)(1) * * *

(2) No transaction or payment is authorized or approved pursuant to paragraph (a)(1) of this section with respect to a mark, trade name, or commercial name that is the same as or substantially similar to a mark, trade name, or commercial name that was used in connection with a business or assets that were confiscated, as that term is defined in § 515.336, unless the original owner of the mark, trade name, or commercial name, or the bona fide successor-in-interest has expressly consented.

* * * * *

17. In § 515.533, the section heading is revised; the introductory text of paragraph (a) and paragraphs (a)(1) and (d) are revised; and paragraphs (e) and (f) and a note to the section are added to read as follows:

§ 515.533 Transactions incident to exportations from the United States to Cuba.

(a) All transactions ordinarily incident to the exportation of goods, wares, and merchandise from the United States to any person within Cuba are hereby authorized, provided the following terms and conditions are complied with:

(1) The exportation is licensed or otherwise authorized by the Department of Commerce under the provisions of the Export Administration Act of 1979, as amended (50 U.S.C. app. 2401–2420) (see the Export Administration Regulations, 15 CFR 730–774); and

* * * * *

(d) This section does not authorize any exportation under License Exception GFT, 15 CFR 740.12, except gift parcels that contain only food, vitamins, seeds, medicines, medical supplies and devices, hospital supplies and equipment, equipment for the handicapped, clothing, personal hygiene items, veterinary medicines and supplies, fishing equipment and supplies, soap-making equipment, or certain radio equipment and batteries for such equipment, as specifically set forth in 15 CFR 740.12, and that

otherwise comply with the requirements of that section.

(e) Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are directly incident to the marketing, sales negotiation, accompanied delivery, or servicing of exports that appear consistent with the export licensing policy of the Department of Commerce.

(f) This section does not authorize trade financing with respect to the commercial sale of food or agricultural commodities.

Note to § 515.533: For the waiver of the prohibition contained in § 515.207 on certain vessel transactions for vessels transporting shipments of goods, wares, or merchandise between the United States and Cuba pursuant to this section, see § 515.550.

§ 515.540 [Removed and reserved]

18. Section 515.540 is removed and reserved.

19. Section 515.545 is amended as follows:

A. Paragraph (b) is amended by revising “§ 515.206(c)” to read “§ 515.206(a)(3)”.

B. Paragraph (c) is added to read as follows:

§ 515.545 Transactions related to information and informational materials.

* * * * *

(c) Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) for purposes related to the exportation, importation, or transmission of information or informational materials as defined in § 515.332.

20. Newly redesignated § 515.550 is revised to read as follows:

§ 515.550 Certain vessel transactions authorized.

Unless a vessel has otherwise engaged in transactions that would prohibit entry pursuant to § 515.207, § 515.207 shall not apply to a vessel that is:

(a) Engaging in trade with Cuba authorized by licenses issued pursuant to § 515.533 or § 515.559; or

(b) Engaging in trade with Cuba that is exempt from the prohibitions of this part (see § 515.206).

§ 515.551 [Amended]

21. Paragraph (a)(3) of § 515.551 is amended by revising “§ 515.568” to read “§ 515.522”.

§ 515.556 [Removed and reserved]

22. Section 515.556 is removed and reserved.

23. Section 515.559 is amended by adding paragraph (b)(2) and a note to the section to read as follows:

§ 515.559 Transactions by U.S.-owned or controlled foreign firms with Cuba.

* * * * *

(b) * * *

(2) Travel-related transactions set forth in § 515.560(c) and other transactions that are directly incident to marketing, sales negotiation, accompanied delivery, or servicing of exports that are consistent with the licensing policy under this section.

* * * * *

Note to § 515.559: Transactions by U.S.-owned or controlled foreign firms in connection with the exportation of information or informational materials or the donation of food to nongovernmental entities or individuals in Cuba are exempt from the prohibitions of this part. See § 515.206. For the waiver of the prohibition contained in § 515.207 on certain vessel transactions for vessels transporting shipments of goods, wares, or merchandise pursuant to this section, see § 515.550.

24. Section 515.560 is revised to read as follows:

§ 515.560 Travel-related transactions to, from, and within Cuba by persons subject to U.S. jurisdiction.

(a) The travel-related transactions listed in paragraph (c) of this section may be authorized either by a general license or on a case-by-case basis by a specific license for travel related to the following activities (see the referenced sections for general and specific licensing criteria):

- (1) Family visits (general and specific licenses) (see § 515.561);
- (2) Official business of the U.S. government, foreign governments, and certain intergovernmental organizations (general license) (see § 515.562);
- (3) Journalistic activity (general and specific licenses) (see § 515.563);
- (4) Professional research (general and specific licenses) (see § 515.564);
- (5) Educational activities (specific licenses) (see § 515.565);
- (6) Religious activities (specific licenses) (see § 515.566);
- (7) Public performances, clinics, workshops, athletic and other competitions, and exhibitions (general and specific licenses) (see § 515.567);
- (8) Support for the Cuban people (specific licenses) (see § 515.574);
- (9) Humanitarian projects (specific licenses) (see § 515.575);
- (10) Activities of private foundations or research or educational institutes (specific licenses) (see § 515.576);
- (11) Exportation, importation, or transmission of information or informational materials (specific licenses) (see § 515.545); and
- (12) Certain export transactions that may be considered for authorization under existing Department of Commerce

regulations and guidelines with respect to Cuba or engaged in by U.S.-owned or controlled foreign firms (specific licenses) (see §§ 515.533 and 515.559).

(b) Travel-related transactions in connection with activities other than those referenced in paragraph (a) of this section may be authorized on a case-by-case basis by a specific license issued pursuant to § 515.801.

(c) Persons generally or specifically licensed under this part to engage in transactions in connection with travel to, from, and within Cuba may engage in the following transactions:

(1) *Transportation to and from Cuba.* All transportation-related transactions ordinarily incident to travel to and from (not within) Cuba, provided no more than \$500 may be remitted to Cuba directly or indirectly in any consecutive 12-month period for fees imposed by the Government of Cuba in conjunction with such travel unless otherwise authorized.

(2) *Living expenses in Cuba.* All transactions ordinarily incident to travel anywhere within Cuba, including payment of living expenses and the acquisition in Cuba of goods for personal consumption there, provided that, unless otherwise authorized, the total for such expenses does not exceed the "maximum per diem rate" for Havana, Cuba in effect during the period that the travel takes place. The per diem rate is published in the State Department's "Maximum Travel Per Diem Allowances for Foreign Areas," a supplement to section 925, Department of State Standardized Regulations (Government Civilians, Foreign Areas), available from the Government Printing Office, Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954, or on the Internet at <http://www.state.gov/www/perdiems/index.html>.

(3) *Purchase in Cuba and importation into the United States of merchandise.* The purchase in Cuba and importation as accompanied baggage into the United States of merchandise with a foreign market value not to exceed \$100 per person, provided the merchandise is imported for personal use only. Such merchandise may not be resold. This authorization may be used only once every six consecutive months. As provided in § 515.206(a), the purchase and importation of information or informational materials are exempt from all restrictions contained in this part.

(4) *Carrying remittances to Cuba.* The carrying to Cuba of any remittances that the licensed traveler is authorized to remit pursuant to § 515.570, provided that no more than \$300 of remittances authorized by § 515.570(a) or (b) is

carried in any one trip, unless otherwise authorized. Those licensed travelers carrying either of the emigration remittances authorized pursuant to § 515.570(c) must be able to produce the visa recipient's full name and date of birth and the number and date of issuance of the visa or other travel authorization issued. A licensed traveler to Cuba is only authorized to carry remittances that he or she is authorized to remit and may not carry remittances being made by other persons.

(5) *Processing certain financial instruments.* All transactions incident to the processing and payment of checks, drafts, travelers' checks, and similar instruments negotiated in Cuba by any person authorized pursuant to this part to engage in financial transactions in Cuba. For purposes of this section, the authorized transactions may be conducted using currency, which is defined as money, cash, drafts, notes, travelers' checks, negotiable instruments, or scrip having a specified or readily determinable face value or worth, but which does not include gold or other precious metals in any form.

Note to paragraph (c): The authorizations in paragraph (c) of this section do not apply to fully-hosted travelers because their travel-related transactions are not licensed or authorized pursuant to this part. See § 515.420.

(d) A Cuban national departing the United States may carry currency, as that term is defined in paragraph (c)(5) of this section, as follows:

(1) The amount of any currency brought into the United States by the Cuban national and registered with the U.S. Customs Service upon entry;

(2) Up to \$300 in funds received as remittances by the Cuban national during his or her stay in the United States; and

(3) Compensation earned by a Cuban national from a U.S. academic institution up to any amount that can be substantiated through payment receipts from such institution as authorized pursuant to § 515.565(a)(2)(v).

(e) The following transactions by persons generally or specifically licensed to engage in travel-related transactions to, from, and within Cuba are prohibited by § 515.201 unless specifically authorized:

(1) All transactions by persons subject to U.S. jurisdiction related to the utilization of charge cards, including but not limited to debit or credit cards, for expenditures in Cuba.

(2) All transactions related to the processing and payment by persons subject to U.S. jurisdiction, such as charge card issuers or intermediary banks, of charge card instruments (e.g.,

vouchers, drafts, or sales receipts) for expenditures in Cuba. The issuer of a charge card, or a foreign charge card firm owned or controlled by persons subject to U.S. jurisdiction, is not authorized to deal with a Cuban enterprise, a Cuban national, or a third-country person, such as a franchisee, in connection with the extension of charge card services to any person in Cuba.

(f) Persons traveling to Cuba fully hosted as described in § 515.420 may not carry currency to pay for living expenses or the purchase of goods in Cuba except as specifically licensed pursuant to or exempted from the application of this part.

(g) Nothing in this section authorizes transactions in connection with tourist travel to Cuba, nor does it authorize transactions in relation to any business travel, including making or agreeing to make any investment in Cuba, establishing or agreeing to establish any branch or agency in Cuba, or transferring or agreeing to transfer any property to Cuba, except transfers by or on behalf of individual or group travelers authorized pursuant to this part.

25. Section 515.561 is added to read as follows:

§ 515.561 Persons visiting family members in Cuba.

(a) *General license.* The travel-related transactions set forth in § 515.560(c) are authorized in connection with travel to Cuba by persons and persons traveling with them who share a common dwelling as a family with them who are traveling to visit close relatives in Cuba in circumstances that demonstrate humanitarian need, provided that the authorization contained in this paragraph may be used only once in any 12-month period. See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. Any additional transactions must be specifically licensed pursuant to paragraph (b) of this section.

(b) *Specific licenses.* Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) in connection with travel to Cuba by persons, and persons traveling with them who share a common dwelling as a family with them, who seek to travel to visit close relatives in Cuba more than once in any consecutive 12-month period in cases involving humanitarian need.

(c) For purposes of this section, the term *close relative* used with respect to any person means such person's spouse, child, grandchild, parent, grandparent,

great grandparent, uncle, aunt, brother, sister, nephew, niece, first cousin, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, or spouse, widow, or widower of any of the foregoing.

26. New § 515.562 is added to read as follows:

§ 515.562 Officials of the U.S. government, foreign governments, and certain intergovernmental organizations traveling to, from, and within Cuba on official business.

The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to activities in their official capacities by persons who are officials of the United States Government, any foreign government, or any intergovernmental organization of which the United States is a member and who are traveling on the official business of their government or international organization are authorized.

27. New § 515.563 is added to read as follows:

§ 515.563 Journalistic activities in Cuba.

(a) *General license.* The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to journalistic activities in Cuba by persons regularly employed as journalists by a news reporting organization or by persons regularly employed as supporting broadcast or technical personnel are authorized.

Note to paragraph (a): See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. The exportation of equipment and other items to be used in journalistic activities may require separate licensing by the Department of Commerce.

(b) *Specific licenses.* (1) Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are directly incident to doing research in Cuba for a free-lance article upon submission of an adequate written application including the following documentation:

(i) A detailed itinerary and a detailed description of the proposed research; and

(ii) A resume or similar document showing a record of publications.

(2) To qualify for a specific license pursuant to this section, the itinerary for the proposed research in Cuba for a free-lance article must demonstrate that the research constitutes a full work schedule that could not be accomplished in a shorter period of time.

(3) Specific licenses may be issued pursuant to this section authorizing

transactions for multiple trips to Cuba over an extended period of time by applicants demonstrating a significant record of free-lance journalism.

28. New § 515.564 is added to read as follows:

§ 515.564 Professional research and professional meetings in Cuba.

(a) *General license.* (1) The travel-related transactions set forth in § 515.560(c) and such additional transactions that are directly incident to professional research by full-time professionals who travel to Cuba to conduct professional research in their professional areas are authorized, provided that:

(i) The research is of a

noncommercial, academic nature;

(ii) The research comprises a full work schedule in Cuba;

(iii) The research has a substantial likelihood of public dissemination; and

(iv) The research does not fall within the categories of activities described in paragraph (c), (d), or (e) of this section.

(2) The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to travel to Cuba by full-time professionals to attend professional meetings or conferences in Cuba organized by an international professional organization, institution, or association that regularly sponsors meetings or conferences in other countries are authorized, provided that:

(i) The international professional organization, institution, or association is not headquartered in the United States unless that organization, institution, or association has been specifically licensed to sponsor the meeting in Cuba;

(ii) The purpose of the meeting or conference is not the promotion of tourism in Cuba or other commercial activities involving Cuba that are inconsistent with this part; and

(iii) The meeting or conference is not intended primarily for the purpose of fostering production of any biotechnological products.

Note to paragraph (a): See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. Exportation of equipment and other items, including the transfer of technology or software to foreign persons ("deemed exportation") and items not eligible for Department of Commerce GFT or BAG License Exceptions, 15 CFR 740.12 and 740.14, may require separate authorization by the Department of Commerce.

(b) *Specific licensing.* Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are directly

incident to professional research and professional meetings that do not qualify for the general license in paragraph (a) of this section. Specific licenses may be issued pursuant to this section authorizing transactions for multiple trips to Cuba over an extended period of time by applicants demonstrating a significant record of research. Specific licenses will not be issued for travel-related transactions for purposes of attendance at meetings or conferences in Cuba organized by the Cuban government where such meetings or conferences could be intended primarily for the purpose of fostering the production of any biotechnological products.

(c) Categories of activities that do not qualify for the general license in paragraph (a) of this section and for which the specific licenses described in paragraph (b) of this section will not be issued include recreational travel; tourist travel; travel in pursuit of a hobby; research for personal satisfaction only; and any travel for an authorized professional research purpose if the schedule of activities includes free time, travel, or recreation in excess of that consistent with a full work schedule of professional research or attendance at professional meetings or conferences.

(d) An entire group does not qualify for the general license in paragraph (a) of this section and will not be issued a specific license under paragraph (b) of this section merely because some members of the group could qualify individually for such licenses.

Example 1 to paragraph (d): A musicologist travels to Cuba to do research on Cuban music pursuant to the general license for professional researchers set forth in paragraph (a) of this section. Others who are simply interested in music but who do not research music as part of their careers may not engage in travel-related transactions with the musicologist in reliance on this general license. For example, an art historian who plays in the same band with the musicologist would not qualify as a professional researcher of Cuban music for purposes of this general license.

Example 2 to paragraph (d): A specific license issued pursuant to paragraph (b) of this section authorizing travel-related transactions by a fish biologist who travels to Cuba to engage in professional research does not authorize transactions by other persons who might travel with the fish biologist but whose principal purpose in travel is to engage in recreational or trophy fishing. The fact that such persons may engage in certain activities with or under the direction of the professional fish biologist, such as measuring or recording facts about their catch, does not bring these individuals' activities within the scope of professional research and similar activities.

(e) A person will not qualify as engaging in professional research

merely because that person is a professional who plans to travel to Cuba.

Example 1 to paragraph (e): A professor of history interested in traveling to Cuba for the principal purpose of learning or practicing Spanish or attending general purpose lectures devoted to Cuban culture and contemporary life does not qualify for the general license in paragraph (a) of this section or for a specific license issued pursuant to paragraph (b) of this section.

Example 2 to paragraph (e): A professional photographer who wishes to take photographs in Cuba that will become the basis for creating post cards, paintings, and other secondary products or that merely document the photographer's travel does not qualify for the general license in paragraph (a) of this section or for a specific license issued pursuant to paragraph (b) of this section.

29. New § 515.565 is added to read as follows:

§ 515.565 Educational activities.

(a) *Specific license for U.S. academic institutions—(1) Issuance; renewal.* A specific license may be issued to an accredited U.S. academic institution authorizing the institution and its students and employees to engage, under the auspices of the institution, in educational activities involving transactions in which Cuba or a Cuban national has an interest. The application for the specific license must establish that the U.S. academic institution is accredited by an appropriate national or regional educational accrediting association. The specific license may be renewed after a period of two years to authorize the accredited U.S. academic institution and its students and employees to continue to engage in the transactions authorized under the institution's license.

(2) *Scope of transactions authorized under U.S. academic institution's specific license; documentation.* Upon receipt of a specific license pursuant to paragraph (a)(1) of this section by the accredited U.S. academic institution, the institution and its students and employees are authorized to engage in the travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to any of the categories of educational activities set forth in paragraphs (a)(2)(i) through (a)(2)(vii) of this section undertaken under the auspices of the specifically-licensed institution. Activities covered by this authorization are limited to the following:

(i) Participation in a structured educational program by an undergraduate or graduate student or undergraduate or graduate student group as part of a course offered at an accredited U.S. college or university. A

student planning to engage in such transactions in Cuba must carry a letter from the U.S. academic institution stating that the student is currently enrolled in an undergraduate or graduate degree program there and that the Cuba travel is part of a structured educational program of that institution and citing the number of the relevant U.S. academic institution's specific license.

(ii) Noncommercial academic research in Cuba specifically related to Cuba by a person working to qualify academically as a professional (for example, research toward a graduate degree). A student planning to engage in such transactions in Cuba must carry a letter from the student's accredited U.S. academic institution stating that the individual is currently enrolled in a graduate degree program and that the Cuba research will be accepted for credit toward that degree and citing the number of the relevant U.S. academic institution's specific license.

(iii) Participation in a formal course of study at a Cuban academic institution by an undergraduate or graduate student currently enrolled in a degree program at an accredited U.S. college or university, provided the formal course of study in Cuba will be accepted for credit toward the student's undergraduate or graduate degree at that U.S. college or university. A student planning to engage in such transactions in Cuba must carry with him or her a letter from the student's U.S. academic institution stating that the student is currently enrolled in an undergraduate or graduate degree program and that the Cuban study will be accepted for credit toward that degree and citing the number of the relevant U.S. academic institution's specific license.

(iv) Teaching at a Cuban academic institution by an individual regularly employed in a teaching capacity at an accredited U.S. college or university, provided the teaching activities are related to an academic program at the Cuban institution. An individual planning to teach at a Cuban academic institution must obtain and carry a written letter from the individual's U.S. academic institution, citing the number of that institution's specific license and stating that the individual is regularly employed there in a teaching capacity.

(v) Sponsorship, including the payment of a stipend or salary, of a Cuban scholar to teach or engage in other scholarly activity at a college or university in the United States (in addition to those transactions authorized by the general license contained in § 515.571). Such earnings may be remitted to Cuba as provided in

§ 515.570, or carried on the person of the Cuban scholar returning to Cuba as provided in § 515.560(d)(3).

(vi) Educational exchanges sponsored by Cuban or U.S. secondary schools involving secondary school students' participation in a formal course of study or in a structured educational program offered by a secondary school or other academic institution and led by a teacher or other secondary school official. This authorization includes participation by a reasonable number of adult chaperones to accompany the secondary school student(s) to Cuba. A secondary school group planning to engage in such transactions in Cuba must carry a letter from the secondary school sponsoring the trip, citing the number of the school's specific license and listing the names of all persons traveling with the group.

(vii) The organization of and preparation for transactions and activities described in paragraphs (a)(2)(i) through (a)(2)(vi) of this section by a full-time employee of a U.S. academic institution. An individual engaging in such transactions must carry a written letter from the individual's U.S. academic institution, citing the number of that institution's specific license and stating that the individual is regularly employed there.

Note to paragraph (a): See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. Exportation of equipment and other items, including the transfer of technology or software to foreign persons ("deemed exportation"), and items not eligible for Department of Commerce GFT or BAG License Exceptions, 15 CFR 740.12 and 740.14, may require separate licensing from the Department of Commerce.

(b) *Specific license.* Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are directly incident to:

(1) Educational activities described in paragraphs (a)(2)(i) through (a)(2)(iii) of this section not covered by a specific license issued pursuant to paragraph (a) of this section to an accredited U.S. academic institution; or

(2) Educational exchanges not involving academic study pursuant to a degree program when those exchanges take place under the auspices of an organization that sponsors and organizes such programs to promote people-to-people contact.

(c) Transactions related to activities that are primarily tourist-oriented, including self-directed educational activities that are intended only for personal enrichment, are not authorized by this section.

30. New § 515.566 is added to read as follows:

§ 515.566 Religious activities in Cuba.

(a) *Specific license for U.S. religious organizations—(1) Issuance; renewal.* A specific license may be issued to a religious organization located in the United States authorizing the organization and individuals and groups affiliated with the organization to engage, under the auspices of the organization, in religious activities involving transactions (including travel-related transactions) in which Cuba or a Cuban national has an interest. The application for the specific license must set forth examples of religious activities to be undertaken in Cuba. The religious organization's specific license may be renewed after a period of two years to authorize the organization and individuals and groups affiliated with the organization to continue to engage in the transactions authorized under the organization's license.

(2) *Scope of transactions authorized under U.S. religious organization's specific license; documentation.* Upon receipt by the religious organization located in the United States of a specific license pursuant to paragraph (a)(1) of this section, the organization and individuals or groups affiliated with the organization are authorized to engage in the travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to religious activities in Cuba under the auspices of the organization. Travel-related transactions pursuant to this authorization must be for the purpose of engaging, while in Cuba, in a full-time program of religious activities. Financial and material donations to Cuba or Cuban nationals are not authorized by this paragraph (a)(2). All individuals who engage in transactions in which Cuba or Cuban nationals have an interest (including travel-related transactions) pursuant to this paragraph (a)(2) must carry with them a letter from the specifically-licensed U.S. religious organization, citing the number of the organization's specific license and confirming that they are affiliated with the organization and are traveling to Cuba to engage in religious activities under the auspices of the organization.

Note to paragraph (a): See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. Exportation of items to be used in Cuba may require separate licensing by the Department of Commerce.

(b) *Specific licenses.* Specific licenses may be issued on a case-by-case basis authorizing the travel-related

transactions set forth in § 515.560(c) and other transactions that are directly incident to religious activities not covered by a specific license issued pursuant to paragraph (a) of this section to a U.S. religious organization. Specific licenses may be issued pursuant to this section authorizing transactions for multiple trips over an extended period of time to engage in a full-time program of religious activities in Cuba.

31. New § 515.567 is added to read as follows:

§ 515.567 Public performances, clinics, workshops, athletic and other competitions, and exhibitions.

(a) *General license.* The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to athletic competition by amateur or semi-professional athletes or amateur or semi-professional athletic teams traveling to participate in athletic competition held in Cuba are authorized, provided that:

(1) The athletic competition in Cuba is held under the auspices of the international sports federation for the relevant sport;

(2) The United States participants in the athletic competition are selected by the United States federation for the relevant sport; and

(3) The competition is open for attendance, and in relevant situations participation, by the Cuban public.

Note to paragraph (a): See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements. Exportation of items to be used in Cuba may require separate licensing by the Department of Commerce.

(b) *Specific licenses.* (1) Specific licenses, including for multiple trips to Cuba over an extended period of time, may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are directly incident to participation in a public performance, clinic, workshop, athletic or other competition, or exhibition in Cuba by participants in such activities, provided that:

(i) The event is open for attendance, and in relevant situations participation, by the Cuban public;

(ii) All profits from the event after costs are donated to an independent nongovernmental organization in Cuba or a U.S.-based charity, with the objective, to the extent possible, of promoting people-to-people contacts or otherwise benefitting the Cuban people.

(2) In addition to those transactions authorized by § 515.571, specific licenses may be issued on a case-by-case basis authorizing transactions incident to participation in a public

exhibition, performance, clinic, workshop, or competition in the United States by a Cuban national who enters the United States for the purpose of such participation on a visa or other travel authorization issued by the Department of State.

(c) Specific licenses will not be issued pursuant to this section authorizing any:

(1) Payment to Cuba or any national thereof for appearance fees or other such payments in connection with or resulting from any public exhibition, performance, clinic, workshop, or competition in the United States or in Cuba; or

(2) Debit to a blocked account.

§ 515.568 [Reserved]

32. Section 515.568 is added and reserved.

33. Newly redesignated § 515.569 is revised to read as follows:

§ 515.569 Foreign passengers' baggage.

The importation of Cuban-origin goods, otherwise prohibited by this part, brought into the United States as baggage by any person arriving in the United States other than a citizen or resident of the United States is hereby authorized, notwithstanding the provisions of § 515.803, provided that such goods are not in commercial quantities and are not imported for resale. This authorization does not apply to the importation of Cuban-origin alcohol or tobacco products.

34. Section 515.570 is added to read as follows:

§ 515.570 Remittances to nationals of Cuba.

(a) *Family remittances authorized.* (1) Persons subject to the jurisdiction of the United States who are 18 years of age or older are authorized to make remittances to a national of Cuba resident in Cuba or in the authorized trade territory (including any member of his or her household) who is a close relative of the remitter or of the remitter's spouse, for the support of the close relative provided that:

(i) The remitter's total remittances pursuant to paragraphs (a) and (b) of this section to any one Cuban household, regardless of the number of close relatives comprising the household, do not exceed \$300 in any consecutive 3-month period; and

(ii) The remittances are not made from a blocked source, except that remittances to Cuban households located in the authorized trade territory may come from a blocked account in a banking institution within the United States held in the name of, or in which the beneficial interest is held by, the

payee or members of the payee's household.

(2) A person authorized to make remittances under this paragraph (a) and who is authorized to engage in travel-related transactions relating to Cuba pursuant to a general license contained in or specific license issued pursuant to this part may carry no more than \$300 in total remittances authorized in this paragraph (a), and only if the remittances will not exceed the maximum amount set forth in paragraph (a) of this section for any payee within the past 3 months. See § 515.560(c)(4).

(3) For purposes of this paragraph (a), the term *close relative* used with respect to any person means such person's spouse, child, grandchild, parent, grandparent, great grandparent, uncle, aunt, brother, sister, nephew, niece, first cousin, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, or the spouse, widow, or widower of any of the foregoing.

Note to paragraph (a): The maximum amount set forth in paragraph (a) of this section does not apply to remittances to a Cuban individual who has been specifically licensed as an unblocked national pursuant to § 515.505(b), as remittances to unblocked persons do not require separate authorization.

(b) *Individual-to-household remittances authorized.* (1) Persons subject to the jurisdiction of the United States who are 18 years of age or older are authorized to make remittances to any Cuban household (including to any Cuban individual living alone) located in Cuba or in the authorized trade territory, provided that:

(i) The remitter's total remittances pursuant to paragraphs (a) and (b) of this section to any one Cuban household do not exceed \$300 in any consecutive 3-month period;

(ii) No member of the payee's household is a senior-level Cuban government official or senior-level Cuban communist party official; and

(iii) The remittances are not made from a blocked source, except that remittances to Cuban households located in the authorized trade territory may come from a blocked account in a banking institution within the United States held in the name of, or in which the beneficial interest is held by, the payee or members of the payee's household.

(2) A person authorized to make remittances under this paragraph (b) and who is authorized to engage in travel-related transactions relating to Cuba pursuant to a general license contained in or specific license issued pursuant to this part may carry no more

than \$300 in total remittances authorized in paragraphs (a) and (b) of this section, and only if the remittances will not exceed the maximum amount set forth in paragraph (a) or (b) of this section for any payee within the past 3 months. See § 515.560(c)(4).

Note to paragraph (b): The maximum amount set forth in paragraph (b) of this section does not apply to remittances to a Cuban individual who has been specifically licensed as an unblocked national pursuant to § 515.505(b), as remittances to unblocked persons do not require separate authorization.

(c) *Emigration-related remittances authorized.* Persons subject to the jurisdiction of the United States are authorized to remit the following amounts:

(1) Up to \$500 on a one-time basis to any Cuban national for the purpose of covering the payee's preliminary expenses associated with emigrating from Cuba to the United States. This remittance may be sent through a licensed remittance forwarding service before the payee has received a valid visa issued by the State Department or other approved U.S.-immigration document, but may not be carried to Cuba by the remitter during this period. A person who is authorized to engage in travel-related transactions relating to Cuba pursuant to a general license contained in or specific license issued pursuant to this paragraph (c)(1), provided the traveler can demonstrate each visa recipient's full name and date of birth and the number and date of issuance of the U.S. visa or other travel authorization issued. See § 515.560(c)(4). Any amount remitted or carried to Cuba directly or indirectly in conjunction with the processing of a letter of invitation or similar document must be applied against the \$500 limit; and

(2) Up to an additional \$500 on a one-time basis to any Cuban national for the purpose of enabling the payee to emigrate from Cuba to the United States, including for the purchase of airline tickets and payment of exit or third-country visa fees or other travel-related fees. Such remittances may be transferred only after the Cuban individual has received a valid visa issued by the State Department or other approved U.S. immigration documentation. Persons remitting amounts pursuant to this paragraph (c)(2) must provide to the remittance forwarder the visa recipient's full name and date of birth and the number and date of issuance of the U.S. visa or other travel authorization issued. A person who is authorized to engage in travel-

related transactions relating to Cuba pursuant to a general license contained in or specific license issued pursuant to this part may carry remittances pursuant to this paragraph (c)(2), provided the traveler can demonstrate each visa recipient's full name and date of birth and the number and date of issuance of the U.S. visa or other travel authorization issued. See § 515.560(c)(4).

(d) *Specific licenses.* Specific licenses may be issued on a case-by-case basis authorizing the following:

(1) Remittances by persons subject to U.S. jurisdiction to independent nongovernmental entities in Cuba;

(2) Repatriation of earnings by a Cuban scholar pursuant to § 515.565(a)(2)(v) in excess of the amount specified in paragraph (a) of this section;

(3) Remittances by persons subject to U.S. jurisdiction from blocked accounts to Cuban households in the authorized trade territory in excess of the amount specified in paragraphs (a) and (b) of this section; or

(4) Remittances by persons subject to U.S. jurisdiction to a person in Cuba, directly or indirectly, for transactions to facilitate non-immigrant travel by an individual in Cuba to the United States under circumstances where humanitarian need is demonstrated, including illness or medical emergency.

35. New § 515.571 is added to read as follows:

§ 515.571 Certain transactions incident to travel to, from, and within the United States by Cuban nationals.

(a) Except as provided in paragraph (c) of this section, the following transactions by or on behalf of a Cuban national who enters the United States from Cuba on a visa or other travel authorization issued by the State Department are authorized:

(1) All transactions ordinarily incident to travel between the United States and Cuba, including the importation into the United States of accompanied baggage for personal use;

(2) All transactions ordinarily incident to travel and maintenance within the United States, including the payment of living expenses and the acquisition of goods for personal consumption in the United States;

(3) All transactions on behalf of aircraft or vessels incident to non-scheduled flights or voyages between the United States and Cuba, provided that the carrier used has a carrier service provider license issued pursuant to § 515.572. This paragraph does not authorize the carriage of any

merchandise into the United States except accompanied baggage; and

(4) Normal banking transactions involving foreign currency drafts, travelers' checks, or other instruments negotiated incident to travel in the United States by any person under the authority of this section.

(b) Payments and transfers of credit in the United States from blocked accounts in domestic banking institutions held in the name of a Cuban national who enters the United States on a visa or other travel authorization issued by the State Department to or upon the order of such Cuban national are authorized provided that:

(1) Such payments and transfers of credit are made only for the living, traveling, and similar personal expenses in the United States of such Cuban national or his or her family;

(2) The total of all such payments and transfers of credit made under this section from the accounts of such Cuban national do not exceed \$250 in any one calendar month; and

(3) No payment or transfer is made from a blocked account in which a specially designated national has an interest.

(c) This section does not authorize any transfer of property to Cuba, or, except as otherwise authorized in paragraph (b) of this section, any debit to a blocked account.

36. Newly redesignated § 515.572 is amended as follows:

A. The section heading is revised as set forth below.

B. The word "family" is removed wherever it appears.

C. Paragraph (c)(4)(ii) is amended by removing the words "other than close relatives as defined in § 515.563(b)" and adding in their place the words "ineligible to receive them under § 515.570".

D. Paragraph (d)(2) is amended by removing "§ 515.601" and adding in its place "§ 501.601 of this chapter" and by removing "§ 515.602" and adding in its place "§ 501.602 of this chapter".

E. Paragraph (e)(2)(ii)(A) is amended by removing "§ 515.566(e)(3)" and adding in its place "paragraph (e)(3) of this section".

F. Paragraph (e)(2)(ii)(D) is amended by removing "§ 515.566(b)" and adding in its place "paragraph (b) of this section".

G. Paragraph (e)(3)(iii) introductory text is amended by removing "§ 515.566," and adding in its place "this section,".

H. Paragraph (c)(4)(i) is revised to read as follows:

§ 515.572 Authorization of transactions incident to the provision of travel services, carrier services, and remittance forwarding services.

* * * * *

(c) * * *

(4)(i) In the case of applications for authorization to serve as travel or carrier service providers, a report on the forms and other procedures used to establish that each customer is in full compliance with U.S. law implementing the Cuban embargo and either qualifies for one of the general licenses contained in this part authorizing travel-related transactions in connection with travel to Cuba, has received a specific license from the Office of Foreign Assets Control issued pursuant to this part, or is a fully-hosted traveler as described in § 515.420. In the case of a customer traveling pursuant to a general license or claiming to be traveling fully hosted, the applicant must demonstrate that it requires each customer to attest, in a signed statement, to his or her qualification for the particular general license or fully-hosted status claimed. The statement must provide facts supporting the customer's belief that he or she qualifies for the general license or fully-hosted status claimed. In the case of a customer traveling under a specific license, the applicant must demonstrate that it requires the customer to furnish it with a copy of the license. The copy of the signed statement or the specific license must be maintained on file with the applicant.

* * * * *

37. The introductory text of paragraph (a) of § 515.574 is revised to read as follows:

§ 515.574 Support for the Cuban people.

(a) Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and other transactions that are intended to provide support for the Cuban people including, but not limited to, the following:

* * * * *

38. New § 515.575 is added to subpart E to read as follows:

§ 515.575 Humanitarian projects.

Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to certain humanitarian projects in or related to Cuba not otherwise covered by this part that are designed to directly benefit the Cuban people. Such projects may include, but are not limited to, medical and health-related projects, environmental projects, projects

involving non-formal educational training including adult literacy and vocational skills, community-based grass roots projects, projects suitable to the development of small-scale private enterprise, projects that are related to agricultural and rural development which promote independent activity, and projects involving the donation of goods to meet basic human needs as provided in 15 CFR 740.12(b) of the Export Administration Regulations, 15 CFR parts 730-774. Specific licenses may be issued authorizing transactions for multiple visits for the same project over an extended period of time by applicants demonstrating a significant record of overseas humanitarian projects.

39. New § 515.576 is added to subpart E to read as follows:

§ 515.576 Activities of private foundations or research or educational institutes.

Specific licenses may be issued on a case-by-case basis authorizing the travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to activities by private foundations or research or educational institutes that have an established interest in international relations to collect information related to Cuba for noncommercial purposes, not otherwise covered by the general license for professional research contained in § 515.564 or more properly issued under § 515.575, relating to humanitarian projects. Specific licenses may be issued pursuant to this section authorizing transactions for multiple trips to Cuba for the same project over an extended period of time.

Dated: April 30, 1999.

R. Richard Newcomb,

Director, Office of Foreign Assets Control.

Approved: May 5, 1999.

Elisabeth A. Bresee,

Assistant Secretary (Enforcement),

Department of the Treasury.

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DEPARTMENT OF DEFENSE

Department of the Navy

32 CFR Part 706

Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972 Amendment

AGENCY: Department of the Navy, DOD.

ACTION: Final rule.

SUMMARY: The Department of the Navy is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), to reflect that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy has determined that USS JUNEAU (LPD 10) is a vessel of the Navy which, due to its special construction and purpose, cannot fully comply with certain provisions of the 72 COLREGS without interfering with its special functions as a naval ship. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.

EFFECTIVE DATE: April 16, 1999.

FOR FURTHER INFORMATION CONTACT:

Captain Rand R. Pixa, JAGC, U.S. Navy, Admiralty Counsel, Office of the Judge Advocate General, Washington Navy Yard, 1322 Patterson Avenue SE, Suite 3000, Washington, DC 20374-5066, Telephone number: (202) 685-5040.

SUPPLEMENTARY INFORMATION: Pursuant to the authority granted in 33 U.S.C. 1605, the Department of the Navy amends 32 CFR Part 706. This amendment provides notice that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy, under authority delegated by the Secretary of the Navy, has certified that USS JUNEAU (LPD) is a vessel of the Navy which, due to its special construction and purpose, cannot fully comply with the following specific provisions of 72 COLREGS without interfering with its special functions as a naval ship: Annex I, section 2(a)(i), pertaining to the height

of the forward masthead light; Annex I, section 2(g), pertaining to the distance of the sidelights above the hull; and, Annex I, section 3(a), pertaining to the horizontal distance between the forward and after masthead lights. The Deputy Assistant Judge Advocate General (Admiralty) of the Navy has also certified that the lights involved are located in closest possible compliance with the applicable 72 COLREGS requirements.

Moreover, it has been determined, in accordance with 32 CFR Parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on technical findings that the placement of lights on this vessel in a manner differently from that prescribed herein will adversely affect the vessel's ability to perform its military functions.

List of Subjects in 32 CFR Part 706

Marine safety, Navigation (water), Vessels.

Accordingly, 32 CFR Part 706 is amended as follows:

PART 706—[AMENDED]

1. The authority citation for 32 CFR Part 706 continues to read as follows:

Authority: 33 U.S.C. 1605.

2. Table One of § 706.2 is amended by adding, in numerical order, the following entry for the USS JUNEAU (LPD 10):

§ 706.2 Certifications of the Secretary of the Navy under Executive Order 11964 and 33 U.S.C. 1605.

* * * * *

Vessel	Number	Distance in meters of forward masthead light below minimum required height. § 2(a)(i), Annex I
USS JUNEAU	LPD 10	4.27