

directly incident to the purpose of visiting close relatives in Cuba. Prior to this amendment, travelers visiting close relatives were restricted to those travel-related transactions set forth in § 515.560(c). These amendments allow travelers to exceed the per diem set forth in § 515.560(c) when such additional expenditures are for travel-related transactions that are directly incident to the purpose of visiting close relatives. For example, a traveler can now exceed the per diem in order to purchase transportation within Cuba to visit close relatives who live great distances from each other. Other changes are made to paragraph (a) to make the paragraph more readable. Paragraph (b) of § 515.561, which states OFAC's policy with respect to licensing transactions related to family visits that exceed the once-per-year limitation, also is amended to state that "additional travel-related transactions" may be authorized.

Former paragraph (c) has been moved to a new paragraph (d) and a new paragraph (c) is added to state OFAC's policy of issuing specific licenses on a case-by-case basis authorizing travel-related transactions incident to visiting close relatives in Cuba who are not nationals of Cuba. For example, the parents of a U.S. student who is authorized to attend classes for one year in Cuba can apply under new paragraph (c) for a license to engage in transactions incident to visiting their child. New paragraph (c) now contains this example.

The definition of "close relative," now in new paragraph (d) of § 515.561, is expanded to include all relatives, whether by blood, marriage, or adoption, who are within three degrees of relationship with the traveler (e.g., great-grandparents and second cousins). Prior to this amendment, the definition of "close relative" was restricted to two degrees of relationship (e.g., grandparents and first cousins). Several examples are provided to assist the reader. Finally, the heading of § 515.561 is amended to refer to visits of "close relatives" instead of the more generic term "family."

Removal of people-to-people educational exchanges. These amendments eliminate the statement of licensing policy regarding case-by-case authorization of certain people-to-people educational exchanges. Pursuant to paragraph (b)(2) of § 515.565, OFAC has issued specific licenses to organizations that sponsor people-to-people educational exchanges to take individuals under their auspices on educational trips to Cuba unrelated to academic coursework. Specific licenses

no longer will be granted for this purpose. In order to address the equities of those who already may have committed funds for future travel to Cuba pursuant to a specific license issued under this subparagraph, existing licensees will be allowed to engage in the transactions set forth in their licenses for the duration of those licenses, but no renewals or new licenses will be issued under this paragraph.

Changes to remittances rules. These amendments authorize licensed remittances to be made from blocked inherited funds, increase the limit on the number of remittances that can be carried to Cuba by an authorized traveler, restrict quarterly remittances from being sent to senior-level Cuban government or Cuban Communist Party officials, and simplify the remittance rules, located primarily in § 515.570 and, to a lesser extent, in § 515.560(c).

Former paragraphs (a) and (b) of § 515.570 authorized quarterly remittances of \$300 per Cuban household, but only remitters who were close relatives of senior-level Cuban government officials or senior-level Cuban Communist Party officials were authorized to send the quarterly remittances to those officials' households. These amendments remove this distinction by making the households of senior-level Cuban government officials or senior-level Cuban Communist Party officials ineligible to receive quarterly remittances from any remitters. Accordingly, former paragraphs (a) and (b) are combined into one amended paragraph (a) to simplify the section. The new combined authorization is entitled "Periodic \$300 household remittances."

Additional changes are made in the process of combining former paragraphs (a) and (b) into amended paragraph (a). First, the definition of the term "close relative," which is no longer used in this section, is removed. Second, a reference is added directing the reader to new paragraph (c) of this section (discussed below), which authorizes licensed remittances to be made from certain blocked accounts containing inherited funds. These amendments also remove the discussion of remittances that may be carried to Cuba by authorized travelers because those rules are now set forth in their entirety in amended § 515.560(c) (discussed below).

Former paragraph (c) of § 515.570, which authorizes certain emigration-related remittances, is moved to new paragraph (b) and is shortened and simplified.

A new paragraph (c) is added to § 515.570 setting forth a new general license authorizing the periodic household and one-time emigration-related remittances authorized in amended paragraphs (a) and (b) to be made from certain inherited funds blocked in U.S. banking institutions. To qualify for this new general license, the blocked funds must be held in the name or for the benefit of the Cuban national payee and the payee's interest in those funds must have been created as a result of a valid testamentary disposition, intestate succession, or a life insurance policy or annuity contract triggered by the death of the policy or contract holder. OFAC is making this change in part to remedy the result that occurs when a U.S. remitter who regularly sends funds to a Cuban national dies and leaves part of his or her estate to that Cuban national. Prior to these amendments, those funds became inaccessible, eliminating the otherwise authorized flow of remittances to the Cuban national.

At the end of § 515.570, a new note is added referring the reader to amended paragraph (c)(4) of § 515.560 (discussed below) for the rules relating to the carrying of authorized remittances to Cuba by persons authorized to engage in travel-related transactions in Cuba. This note also advises that the provision of remittance forwarding services is prohibited without OFAC authorization, explains that banking institutions are authorized to provide these services, and references OFAC's Website list of all other authorized remittance forwarding service providers.

Section 515.560 is amended to address rules regarding the carrying of authorized remittances to Cuba. Paragraph (c)(4) of § 515.560 is amended to raise the amount of authorized \$300 quarterly household remittances a licensed traveler may carry to Cuba from a total of \$300 to \$3,000. Thus, a licensed traveler may now carry up to ten \$300 household remittances to Cuba (provided that he or she meets all of the remittance authorization requirements set forth in § 515.570(a)). Amended § 515.560(c)(4) continues to state that all remittances carried to Cuba by an authorized traveler must be the traveler's own authorized remittances.

Activities in the United States by visiting Cuban nationals. These amendments streamline the authorization of transactions in the United States by visiting Cuban nationals who are issued U.S. visas for the purpose of engaging in certain activities, such as academic or vocational study, teaching, or performing. Currently, section 515.571