

authorizes Cuban nationals visiting the United States to engage in transactions such as paying living expenses, engaging in normal banking transactions incident to travel in the United States, and withdrawing limited amounts of funds from blocked accounts for these purposes. These amendments add a new paragraph (a)(5) to § 515.571 to provide a general license authorizing all transactions by Cuban nationals visiting the United States that are ordinarily incident to the activities for which their visas were issued. This license does not authorize receipt of compensation in excess of that needed to cover living expenses and the acquisition of goods for personal consumption in the United States, although a reference is made to § 515.565(a)(2)(v), under which OFAC may authorize the payment to certain Cuban scholars of stipends or salaries that exceed this limit. Examples are provided to assist the reader. This new general license will automatically authorize a Cuban performer's transactions, such as renting a stage, signing a contract to perform, and hiring sound and lighting technicians, if that performer is issued a P (performance) visa. Similarly, Cuban nationals issued student visas are authorized to register and enroll in courses at a U.S. university. Persons in the United States who need to transact with such Cuban nationals will need only to confirm the visa status of the Cuban nationals to determine whether certain transactions are authorized.

*Status of Cuban nationals who leave Cuba.* These amendments clarify the authorization of certain transactions with Cuban nationals who permanently leave Cuba by making various changes to § 515.505. OFAC is amending § 515.505 to identify three different categories of Cuban national individuals who have left Cuba. As amended, paragraph (a)(1) applies to Cuban national individuals who have taken up residence in the United States, have an adjustment of status application pending or have become permanent resident aliens or citizens of the United States, and who are not specially designated nationals of Cuba; paragraph (b) continues to apply to Cuban national individuals who have taken up permanent residence in a third country; and paragraph (c) addresses Cuban national individuals who have been paroled into the United States.

Paragraph (a) of § 515.505 licenses as unblocked nationals any Cuban nationals who have taken up residence in the United States, have become U.S. citizens or permanent resident aliens of the United States (or have pending applications for adjustment of status),

and are not specially designated nationals of Cuba. All transactions with such individuals are authorized, and such individuals can apply to and receive authorization from OFAC to have unblocked any assets in which they have an interest. Cuban national individuals who do not meet these requirements are not licensed as unblocked nationals, even if such persons otherwise appear to be "resident in" the United States.

Paragraph (b) of § 515.505 continues to provide that Cuban national individuals who have taken up permanent residence in a third country can apply to OFAC to be specifically licensed as unblocked nationals. This paragraph is amended to include a list of documents that should be provided in such license applications. Persons subject to U.S. jurisdiction who are considering engaging in transactions in a third country with a Cuban national individual who is not a U.S. national or permanent resident alien should first confirm that that Cuban national has been issued a specific letter from OFAC licensing the Cuban national as an unblocked national. Absent such a license, transactions with that Cuban national are prohibited.

A note is added to paragraphs (a) and (b) explaining that an individual who is unblocked pursuant to either of those paragraphs does not become blocked again simply by ending his or her residence in the United States unless he or she becomes domiciled or a permanent national of Cuba.

Former paragraph (c) of § 515.505 is moved to new paragraph (d) and a new paragraph (c) is added providing a new general license authorizing most transactions with Cuban national individuals who are paroled into the United States and remain in the United States pursuant to that grant of parole. The only difference in embargo status between Cuban nationals licensed as unblocked nationals and those in the United States pursuant to a grant of parole is that the later generally will not be able to obtain specific licenses unblocking any of their property that was blocked in the United States prior to the grant of parole. Such unblocking licenses normally are granted only once a Cuban national is licensed as an unblocked national. Paragraph (c) provides an authorization, however, for individuals in the United States on a grant of parole to withdraw a total of not more than \$250 each month from their blocked accounts.

A new paragraph (e) is added to provide examples that illustrate the application of § 515.505. A note is added at the end of § 515.505 to provide

a cross-reference to § 515.571 (discussed above), which authorizes certain transactions incident to travel to, from, and within the United States by blocked Cuban nationals who are temporarily visiting the United States.

*Expansion of Support for the Cuban People and Humanitarian Programs.* These amendments expand the statements of specific licensing policy regarding transactions that provide support for the Cuban people (§ 515.574) and transactions incident to Cuba-related humanitarian projects (§ 515.575). In § 515.574, paragraph (a) is enlarged to include as licensable those activities of independent organizations designed to promote a rapid, peaceful transition to democracy. In § 515.575, the list of licensable humanitarian activities is enlarged to include construction projects intended to benefit legitimately independent civil society groups and formal (as well as non-formal) educational training within Cuba and elsewhere on topics including civic education, journalism, advocacy, and organizing.

Section 515.575 no longer addresses projects that involve only the donation of goods to meet basic humanitarian needs. Applicants wishing to engage in such transactions should apply under § 515.533(e), which already provides a statement of licensing policy regarding travel transactions related to exports to Cuba. Applicants whose projects include humanitarian activities in Cuba beyond mere exportation, delivery, and servicing of donated goods should still apply under § 515.575.

*Technical Corrections and Clarifications.* These amendments make various technical corrections and clarifications to the Regulations. The definition of the term "national" contained in § 515.302 is amended to clarify that persons whose transactions in Cuba are authorized by OFAC are not considered nationals of Cuba and that any Cuba-located office or sub-unit of an organization is considered a national of Cuba, whether or not the entire organization of which the office or sub-unit is a part is a national of Cuba. The definition of the terms "person subject to the jurisdiction of the United States" and "person within the United States," found in §§ 515.329 and 515.330 respectively, are amended to clarify that non-corporate entities may also be subject to U.S. jurisdiction.

Section 515.420 is amended to clarify that "fully-hosted" status only removes liability for travel-related transactions and not for transactions that are not directly incident to travel, such as services provided in Cuba to a third-country entity.