

Trump Administration Tightens Cuba Travel-Related and Other Restrictions

September 25, 2020

On September 23, 2020, the Trump administration announced tighter restrictions against Cuba by further limiting travel-related and other activities involving Cuba. The Office of Foreign Assets Control's (OFAC) related amendment to the Cuban Assets Control Regulations (CACR) aims to "further implement portions of the President's foreign policy toward Cuba to deny the Cuban regime sources of revenue."

OFAC's new rule prohibits U.S. travelers from staying at, paying for, or making reservations at hotels or other properties that the U.S. State Department has determined are owned or controlled by the Cuban government or prohibited officials of the government, prohibited members of the Cuban Communist Party, or their close relatives. The State Department will maintain a new list – the Cuba Prohibited Accommodations List – that identifies the names, addresses, and other identifying details of subject properties.

Additionally, the rule eliminates both the general license authorizing travel-related and other transactions incident to attending and organizing professional meetings and conferences in Cuba as well as the general license authorizing travel-related and other transactions incident to participating in and organizing public performances, clinics, workshops, exhibitions, and certain athletic and non-athletic competitions in Cuba. By removing the general license for professional meetings and conferences, the U.S. government has eliminated one of the primary business-related travel authorizations for U.S. companies and their foreign subsidiaries, which are expressly subject to the CACR's restrictions. Unless another general license applies, attending and organizing such events will now require a specific license, which OFAC may issue on a case-by-case basis.

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Practice Areas

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Much to the disappointment of cigar aficionados, the new rule also removes authorizations for importing Cuban alcohol and tobacco products, which travelers could previously bring back with them for non-commercial use when returning from travel to the island.

The new restrictions are the latest in a series of actions that the Trump Administration has undertaken in recent years to further limit commercial and travel-related activities involving Cuba in response to the Cuban government's repression of the Cuban people and its support for the Maduro regime in Venezuela. In June 2017, President Trump announced prohibitions on certain trips to Cuba as well as bans on most transactions with entities controlled by the Cuban military, intelligence, or security services. The administration further tightened controls on exports and reexports to Cuba last year by effectively lowering the *de minimis* threshold for controlled U.S.-origin commodities, software, or technology incorporated in foreign-made products, narrowing the scope of License Exception Support for the Cuban People (SCP), and revising and restricting policies and authorizations for aircrafts and vessels.

Wiley continues to closely monitor the Trump Administration's export policy relating to Cuba. Should you have any questions about the new restrictions, or the potential for further action, please do not hesitate to contact one of the attorneys listed on this alert.

Nicole Hager, a Law Clerk at Wiley Rein LLP, contributed to this alert.