

114TH CONGRESS
1ST SESSION

H. R. 2937

To strengthen support for the Cuban people and prohibit financial transactions with the Cuban military, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2015

Mr. NUNES (for himself, Mr. THORNBERRY, Mr. FRELINGHUYSEN, Mr. DIAZ-BALART, Ms. ROS-LEHTINEN, Mr. CURBELO of Florida, Mr. ALLEN, Mr. BOUSTANY, Mr. COLE, Mr. CRENSHAW, Mr. DESANTIS, Mr. HARDY, Mr. HOLDING, Mr. YOUNG of Iowa, Ms. JENKINS of Kansas, Mr. KING of New York, Mr. LAMBORN, Mr. MARINO, Mrs. MILLER of Michigan, Mr. MILLER of Florida, Mr. MOONEY of West Virginia, Mr. MURPHY of Pennsylvania, Mr. POMPEO, Mr. TOM PRICE of Georgia, Mr. RIGELL, Mr. SALMON, Mr. SIRES, Mr. STEWART, Mr. TIBERI, Mr. UPTON, Mr. VALADAO, Mrs. MIMI WALTERS of California, and Mr. WILSON of South Carolina) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To strengthen support for the Cuban people and prohibit financial transactions with the Cuban military, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Cuban Military Transparency Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

Sec. 3. Statement of policy.

Sec. 4. Prohibitions on financial transactions with the Ministry of the Revolutionary Armed Forces or the Ministry of the Interior of Cuba.

Sec. 5. Inclusion in Department of State rewards program of rewards for information leading to the arrest or conviction of individuals responsible for the February 24, 1996, attack on United States aircraft.

Sec. 6. Coordination with INTERPOL.

Sec. 7. Report on the role of the Ministry of the Revolutionary Armed Forces and the Ministry of the Interior of Cuba in the economy and foreign relationships of Cuba.

Sec. 8. Report on use and ownership of confiscated property.

Sec. 9. Termination.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) In his December 17, 2014, announcement
9 to pursue the normalization of relations with Cuba,
10 President Barack Obama stated, “I believe that
11 more resources should be able to reach the Cuban
12 people. So we’re significantly increasing the amount
13 of money that can be sent to Cuba, and removing
14 limits on remittances that support humanitarian
15 projects, the Cuban people, and the emerging Cuban
16 private sector.”.

17 (2) In his January 14, 2011, comments on the
18 easing of travel sanctions, President Barack Obama

1 also stated, “These measures will increase people-to-
2 people contact; support civil society in Cuba; en-
3 hance the free flow of information to, from, and
4 among the Cuban people; and help promote their
5 independence from Cuban authorities.”.

6 (3) Article 18 of the 1976 Constitution of Cuba
7 reads, “The State directs and controls foreign com-
8 merce.”.

9 (4) The largest company in Cuba is the Grupo
10 Gaesa (Grupo de Administración Empresarial S.A.),
11 founded by General Raul Castro Ruz in the 1990s,
12 controlled and operated by the Cuban military,
13 which oversees all investments, and run by General
14 Raul Castro’s son-in-law, General Luis Alberto
15 Rodriguez Lopez-Callejas.

16 (5) On June 3, 2015, the United States House
17 of Representatives voted overwhelmingly in support
18 of a provision prohibiting exports to the Cuban mili-
19 tary and security services in the Fiscal Year 2016
20 Commerce, Justice, and Science Appropriations bill
21 (H.R. 2578), with a recorded vote of 153 to 273 in
22 opposition to House Amendment 308 to strike that
23 provision.

24 (6) The Cuban military, through its tourism
25 conglomerates, is currently operating resort facilities

1 in properties confiscated from United States citi-
2 zens.

3 (7) In 2003, a United States grand jury in-
4 dicted General Ruben Martinez Puente, head of the
5 Cuban Air Force, and two Cuban Air Force pilots,
6 Col. Lorenzo Alberto Perez-Perez and Francisco
7 Perez-Perez, on four counts of murder, two counts
8 of destruction of aircraft, and one count of con-
9 spiracy to kill United States nationals for their roles
10 in the February 24, 1996, attack by Cuban military
11 jets over international waters on two United States
12 civilian Cessna planes operated by the Brothers To
13 The Rescue humanitarian organization.

14 (8) The 2003 United States indictment against
15 Cuban military officials is the only outstanding in-
16 dictment against senior military officials from a
17 country designated by the United States as a “state
18 sponsor of terrorism” for the murder of United
19 States nationals.

20 (9) In a December 17, 2014, article in Politico,
21 United States Representative James McGovern (D-
22 MA) stated that General Raul Castro admitted to
23 giving the order to shoot down the United States ci-
24 vilian planes that resulted in the murder of those

1 United States nationals in 1996. “I gave the order.
2 I’m the one responsible.”, Castro told McGovern.

3 (10) One of the Cuban spies exchanged in the
4 December 17, 2014, deal by President Obama with
5 the Cuban regime was Gerardo Hernandez, who was
6 serving a life sentence for murder conspiracy in the
7 deaths of three United States citizens, Armando
8 Alejandro, Jr., Carlos Costa, Mario de la Pena, and
9 permanent resident of the United States, Pablo Mo-
10 rales.

11 (11) According to a July 16, 2013, article in
12 The New York Times, the Cuban military played a
13 central role in the 2013 trafficking incident that in-
14 volved more than 240 metric tons of heavy weapons,
15 including fully fueled MiG fighter jets, missiles, and
16 air defense systems, to North Korea.

17 (12) A United Nations panel of experts found
18 that the trafficking incident described in paragraph
19 (11) violated United Nations Security Council sanc-
20 tions and was the largest weapons cache ever inter-
21 cepted being transported to or from North Korea.
22 The Cuban military refused to cooperate with
23 United Nations investigators.

24 (13) According to a March 5, 2015, article in
25 The Washington Times, in February 2015, the Co-

1 lombian authorities intercepted a Chinese-flagged
2 vessel carrying a clandestine shipment of war mate-
3 riel destined for the Cuban military, via one of its
4 shadow companies, TecnoImport S.A. The shipment,
5 disguised as grain products, included 99 rockets,
6 3,000 cannon shells, 100 tons of military-grade dy-
7 namite and 2,600,000 detonators.

8 (14) According to a March 25, 2014, article in
9 The New York Times and an April 15, 2014, Finan-
10 cial Times article, the Cuban military has provided
11 military intelligence, weapons training, strategic
12 planning, and security logistics to the military and
13 security forces of Venezuela, which has contributed
14 to the subversion of democratic institutions and vio-
15 lent suppression of peaceful protests in Venezuela.

16 (15) The Cuba 2013 Human Rights Report
17 prepared by the Department of State states that
18 “the military maintained effective control over the
19 security forces, which committed human rights
20 abuses against civil rights activists and other citi-
21 zens alike.”.

22 **SEC. 3. STATEMENT OF POLICY.**

23 It is the policy of the United States—

24 (1) to support the efforts of the people of Cuba
25 to promote the establishment of basic freedoms in

1 Cuba, including a democratic political system in
2 which the military and other security forces are
3 under the control of democratically elected civilian
4 leaders;

5 (2) to ensure that legal travel and trade with
6 Cuba by citizens and residents of the United States
7 does not serve to enrich or empower the military or
8 other security forces of Cuba run by the Castro fam-
9 ily;

10 (3) to support the emergence of a government
11 in Cuba that does not oppress the people of Cuba
12 and does not use its military or other security forces
13 to persecute, intimidate, arrest, imprison, or assas-
14 sinate dissidents;

15 (4) to bring to justice in the United States the
16 officials of Cuba involved in the February 24, 1996,
17 attack of two United States civilian Cessna aircraft
18 by Cuban military jets over international waters; and

19 (5) to counter the efforts of Cuba, through mili-
20 tary and other assistance, to promote repression
21 elsewhere in the Western Hemisphere, especially in
22 Venezuela.

1 **SEC. 4. PROHIBITIONS ON FINANCIAL TRANSACTIONS WITH**
2 **THE MINISTRY OF THE REVOLUTIONARY**
3 **ARMED FORCES OR THE MINISTRY OF THE**
4 **INTERIOR OF CUBA.**

5 (a) IN GENERAL.—Except as provided in subsection
6 (b), beginning on the date that is 30 days after the date
7 of the enactment of this Act, and notwithstanding any
8 other provision of law, a United States person shall not
9 engage in any financial transaction with, or transfer of
10 funds to, any of the following:

11 (1) The Ministry of the Revolutionary Armed
12 Forces of Cuba, the Ministry of the Interior of
13 Cuba, or any subdivision of either such Ministry.

14 (2) Any agency, instrumentality, or other entity
15 that is operated or controlled by an entity specified
16 in paragraph (1).

17 (3) Any agency, instrumentality, or other entity
18 owned by an entity specified in paragraph (1) in a
19 percentage share exceeding 25 percent.

20 (4) An individual who is a senior member of the
21 Ministry of the Revolutionary Armed Forces of Cuba
22 or the Ministry of the Interior of Cuba.

23 (5) Any agency, instrumentality, or other entity
24 that is operated or controlled by an individual speci-
25 fied in paragraph (4).

26 (6) Any individual or entity—

1 (A) for the purpose of avoiding a financial
2 transaction with, or transfer of funds to, an in-
3 dividual or entity specified in any of paragraphs
4 (1) through (5); or

5 (B) for the benefit of an individual or enti-
6 ty specified in any of paragraphs (1) through
7 (5).

8 (b) EXCEPTIONS.—The prohibitions on financial
9 transactions and transfers of funds under subsection (a)
10 shall not apply with respect to—

11 (1) the sale of agricultural commodities, medi-
12 cines, and medical devices sold to Cuba consistent
13 with the Trade Sanctions Reform and Export En-
14 hancement Act of 2000 (22 U.S.C. 7201 et seq.);

15 (2) a remittance to an immediate family mem-
16 ber;

17 (3) payments in furtherance of the lease agree-
18 ment, or other financial transactions necessary for
19 maintenance and improvements of the military base
20 at Guantanamo Bay, Cuba, including any adjacent
21 areas under the control or possession of the United
22 States;

23 (4) assistance or support in furtherance of de-
24 mocracy-building efforts for Cuba described in sec-
25 tion 109 of the Cuban Liberty and Democratic Soli-

1 darity (LIBERTAD) Act of 1996 (22 U.S.C. 6039);
2 or

3 (5) customary and routine financial trans-
4 actions necessary for the maintenance, improve-
5 ments, or regular duties of the United States Inter-
6 ests Section in Havana, including outreach to the
7 pro-democracy opposition.

8 (c) IMPLEMENTATION; PENALTIES.—

9 (1) IMPLEMENTATION.—The President shall ex-
10 ercise all authorities under sections 203 and 205 of
11 the International Emergency Economic Powers Act
12 (50 U.S.C. 1702 and 1704) to carry out this section,
13 except that the President—

14 (A) shall not issue any general license au-
15 thorizing, or otherwise authorize, any activity
16 prohibited under subsection (a); and

17 (B) shall require any United States person
18 seeking to engage in a financial transaction or
19 transfer of funds prohibited under subsection
20 (a) to submit a written request to the Office of
21 Foreign Assets Control of the Department of
22 the Treasury.

23 (2) PENALTIES.—A person that violates, at-
24 tempts to violate, conspires to violate, or causes a
25 violation of subsection (a) or any regulation, license,

1 or order issued to carry out subsection (a) shall be
2 subject to the penalties set forth in subsections (b)
3 and (c) of section 206 of the International Emer-
4 gency Economic Powers Act (50 U.S.C. 1705) to the
5 same extent as a person that commits an unlawful
6 act described in subsection (a) of that section.

7 (d) UNITED STATES PERSON DEFINED.—In this sec-
8 tion, the term “United States person” means—

9 (1) a United States citizen or alien admitted for
10 permanent residence to the United States; and

11 (2) an entity organized under the laws of the
12 United States or any jurisdiction within the United
13 States.

14 **SEC. 5. INCLUSION IN DEPARTMENT OF STATE REWARDS**
15 **PROGRAM OF REWARDS FOR INFORMATION**
16 **LEADING TO THE ARREST OR CONVICTION**
17 **OF INDIVIDUALS RESPONSIBLE FOR THE**
18 **FEBRUARY 24, 1996, ATTACK ON UNITED**
19 **STATES AIRCRAFT.**

20 Section 36(b) of the State Department Basic Au-
21 thorities Act of 1956 (22 U.S.C. 2708(b)) is amended—

22 (1) in paragraph (9), by striking “; or” and in-
23 serting a semicolon;

24 (2) in paragraph (10), by striking the period at
25 the end and inserting “; or”; and

1 (3) by adding at the end the following:

2 “(11) the arrest or conviction in any country of
3 any individual responsible for committing, conspiring
4 or attempting to commit, or aiding or abetting in
5 the commission of the attack on the aircraft of
6 United States persons in international waters by the
7 military of Cuba on February 24, 1996.”.

8 **SEC. 6. COORDINATION WITH INTERPOL.**

9 The Attorney General, in coordination with the Sec-
10 retary of State, shall seek to coordinate with the Inter-
11 national Criminal Police Organization (INTERPOL) to
12 pursue the location and arrest of United States fugitives
13 in Cuba, including current and former members of the
14 military of Cuba, such as those individuals who com-
15 mitted, conspired or attempted to commit, or aided or
16 abetted in the commission of the attack on the aircraft
17 of United States persons in international waters by the
18 military of Cuba on February 24, 1996, with a view to
19 extradition or similar lawful action, including through the
20 circulation of international wanted notices (commonly re-
21 ferred to as “Red Notices”).

1 **SEC. 7. REPORT ON THE ROLE OF THE MINISTRY OF THE**
2 **REVOLUTIONARY ARMED FORCES AND THE**
3 **MINISTRY OF THE INTERIOR OF CUBA IN THE**
4 **ECONOMY AND FOREIGN RELATIONSHIPS OF**
5 **CUBA.**

6 (a) IN GENERAL.—Not later than 180 days after the
7 date of the enactment of this Act, and annually thereafter
8 for three years, the President shall submit to Congress
9 a report on the role of the Ministry of the Revolutionary
10 Armed Forces and the Ministry of the Interior of Cuba
11 with respect to the economy of Cuba.

12 (b) ELEMENTS.—The report required by subsection
13 (a) shall include the following:

14 (1) An identification of entities the United
15 States considers to be owned, operated, or con-
16 trolled, in whole or in part, by the Ministry of the
17 Revolutionary Armed Forces or the Ministry of the
18 Interior of Cuba or any senior member of the Min-
19 istry of the Revolutionary Armed Forces or the Min-
20 istry of the Interior of Cuba.

21 (2) An assessment of the business dealings with
22 countries and entities outside of Cuba conducted by
23 entities identified under paragraph (1) and officers
24 of the Ministry of the Revolutionary Armed Forces
25 or the Ministry of the Interior of Cuba.

1 (3) An assessment of the relationship of the
2 Ministry of the Revolutionary Armed Forces and the
3 Ministry of the Interior of Cuba with the militaries
4 of foreign countries, including whether either such
5 Ministry has conducted joint training, exercises, fi-
6 nancial dealings, or weapons purchases or sales with
7 such militaries or provided advisors to such mili-
8 taries.

9 (c) FORM OF REPORT.—Each report submitted
10 under subsection (a) shall be submitted in unclassified
11 form, but may include a classified annex.

12 **SEC. 8. REPORT ON USE AND OWNERSHIP OF CON-**
13 **FISCATED PROPERTY.**

14 (a) IN GENERAL.—Not later than 90 days after the
15 date of the enactment of this Act, and annually thereafter
16 for three years, the President shall submit to Congress
17 a report on the confiscation of property and the use of
18 confiscated property by the Ministry of the Revolutionary
19 Armed Forces and the Ministry of the Interior of Cuba.

20 (b) DEFINITIONS.—In this section, the terms “con-
21 fiscated” and “confiscation” have the meanings given
22 those terms in section 401 of the Cuban Liberty and
23 Democratic Solidarity (LIBERTAD) Act of 1996 (22
24 U.S.C. 6091).

1 **SEC. 9. TERMINATION.**

2 The provisions of this Act shall terminate on the date
3 on which the President submits to Congress a determina-
4 tion under section 203(c)(3) of the Cuban Liberty and
5 Democratic Solidarity (LIBERTAD) Act of 1996 (22
6 U.S.C. 6063(c)(3)) that a democratically elected govern-
7 ment in Cuba is in power.

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