

114TH CONGRESS
1ST SESSION

S. 1489

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

IN THE SENATE OF THE UNITED STATES

JUNE 3, 2015

Mr. RUBIO (for himself, Mr. MENENDEZ, Mr. HATCH, Mr. COTTON, Mr. CRUZ, Mr. GARDNER, Mr. VITTER, and Mr. KIRK) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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,*

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

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

6 (b) TABLE OF CONTENTS.—The table of contents for
7 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.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

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

12 (2) In his January 14, 2011, comments on the
13 easing of travel sanctions, President Barack Obama
14 also stated, “These measures will increase people-to-
15 people contact; support civil society in Cuba; en-
16 hance the free flow of information to, from, and
17 among the Cuban people; and help promote their
18 independence from Cuban authorities.”.

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

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

11 (5) Cuba’s military-run Grupo Gaesa operates
12 the tourism industry in Cuba, including hotels, re-
13 sorts, foreign currency exchanges, car rentals, night-
14 clubs, retail stores, and restaurants.

15 (6) According to Hotels Magazine, Gaviota,
16 S.A., owned by the Cuban military and a prominent
17 subsidiary of Grupo Gaesa, is the largest hotel con-
18 glomerate in Latin America and the Caribbean.

19 (7) The Cuban military, through its tourism
20 conglomerates, is currently operating resort facilities
21 in properties confiscated from United States citi-
22 zens.

23 (8) In 2003, a United States grand jury in-
24 dicted General Ruben Martinez Puente, head of the
25 Cuban Air Force, and two Cuban Air Force pilots,

1 Col. Lorenzo Alberto Perez-Perez and Francisco
2 Perez-Perez, on four counts of murder, two counts
3 of destruction of aircraft, and one count of con-
4 spiracy to kill United States nationals for their roles
5 in the February 24, 1996, attack by Cuban military
6 jets over international waters on two United States
7 civilian Cessna planes operated by the Brothers To
8 The Rescue humanitarian organization.

9 (9) The 2003 United States indictment against
10 Cuban military officials is the only outstanding in-
11 dictment against senior military officials from a
12 country designated by the United States as a “state
13 sponsor of terrorism” for the murder of United
14 States nationals.

15 (10) In a December 17, 2014, article in Polit-
16 ico, United States Representative James McGovern
17 (D-MA) stated that General Raul Castro admitted
18 to giving the order to shoot down the United States
19 civilian planes that resulted in the murder of those
20 United States nationals in 1996. “I gave the order.
21 I’m the one responsible.”, Castro told McGovern.

22 (11) One of the Cuban spies exchanged in the
23 December 17, 2014, deal by President Obama with
24 the Cuban regime was Gerardo Hernandez, who was
25 serving a life sentence for murder conspiracy in the

1 deaths of three United States citizens, Armando
2 Alejandro Jr., Carlos Costa, Mario de la Pena, and
3 permanent resident of the United States, Pablo Mo-
4 rales.

5 (12) The Cuban military played a central role
6 in the 2013 trafficking incident that involved more
7 than 240 metric tons of heavy weapons, including
8 fully fueled MiG fighter jets, missiles, and air de-
9 fense systems, to North Korea.

10 (13) A United Nations panel of experts found
11 that the trafficking incident described in paragraph
12 (12) violated United Nations Security Council sanc-
13 tions and was the largest weapons cache ever inter-
14 cepted being transported to or from North Korea.
15 The Cuban military refused to cooperate with
16 United Nations investigators.

17 (14) In February 2015, the Colombian authori-
18 ties intercepted a Chinese-flagged vessel carrying a
19 clandestine shipment of war materiel destined for
20 the Cuban military, via one of its shadow companies,
21 TecnoImport S.A. The shipment, disguised as grain
22 products, included 99 rockets, 3,000 cannon shells,
23 100 tons of military-grade dynamite and 2,6000,000
24 detonators.

1 (15) The Cuban military has provided military
2 intelligence, weapons training, strategic planning,
3 and security logistics to the military and security
4 forces of Venezuela, which has contributed to the
5 subversion of democratic institutions and violent
6 suppression of peaceful protests in Venezuela.

7 (16) The Cuba 2013 Human Rights Report
8 prepared by the Department of State states that
9 “the military maintained effective control over the
10 security forces, which committed human rights
11 abuses against civil rights activists and other citi-
12 zens alike.”.

13 **SEC. 3. STATEMENT OF POLICY.**

14 It is the policy of the United States—

15 (1) to support the efforts of the people of Cuba
16 to promote the establishment of basic freedoms in
17 Cuba, including a democratic political system in
18 which the military and other security forces are
19 under the control of democratically elected civilian
20 leaders;

21 (2) to ensure that legal travel and trade with
22 Cuba by citizens and residents of the United States
23 does not serve to enrich or empower the military or
24 other security forces of Cuba run by the Castro fam-
25 ily;

1 (3) to support the emergence of a government
2 in Cuba that does not oppress the people of Cuba
3 and does not use its military or other security forces
4 to persecute, intimidate, arrest, imprison, or assassinate
5 dissidents;

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

10 (5) to counter the efforts of Cuba, through mili-
11 tary and other assistance, to promote repression
12 elsewhere in the Western Hemisphere, especially in
13 Venezuela.

14 **SEC. 4. PROHIBITIONS ON FINANCIAL TRANSACTIONS WITH**
15 **THE MINISTRY OF THE REVOLUTIONARY**
16 **ARMED FORCES OR THE MINISTRY OF THE**
17 **INTERIOR OF CUBA.**

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

1 (1) The Ministry of the Revolutionary Armed
2 Forces of Cuba, the Ministry of the Interior of
3 Cuba, or any subdivision of either such Ministry.

4 (2) Any agency, instrumentality, or other entity
5 that is operated or controlled by an entity specified
6 in paragraph (1).

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

10 (4) An individual who is a senior member of the
11 Ministry of the Revolutionary Armed Forces of Cuba
12 or the Ministry of the Interior of Cuba.

13 (5) Any individual or entity—

14 (A) for the purpose of avoiding a financial
15 transaction with, or transfer of funds to, an in-
16 dividual or entity specified in any of paragraphs
17 (1) through (4); and

18 (B) for the benefit of an individual or enti-
19 ty specified in any of paragraphs (1) through
20 (4).

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

24 (1) the sale of agricultural commodities, medi-
25 cines, and medical devices sold to Cuba consistent

1 with the Trade Sanctions Reform and Export En-
2 hancement Act of 2000 (22 U.S.C. 7201 et seq.);

3 (2) a remittance to an immediate family mem-
4 ber; or

5 (3) assistance or support in furtherance of de-
6 mocracy-building efforts for Cuba described in sec-
7 tion 109 of the Cuban Liberty and Democratic Soli-
8 darity (LIBERTAD) Act of 1996 (22 U.S.C. 6039).

9 (c) IMPLEMENTATION; PENALTIES.—

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

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

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

24 (2) PENALTIES.—A person that violates, at-
25 tempts to violate, conspires to violate, or causes a

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

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

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

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

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

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

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

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

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

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

10 **SEC. 6. COORDINATION WITH INTERPOL.**

11 The Attorney General, in coordination with the Sec-
12 retary of State, shall seek to coordinate with the Inter-
13 national Criminal Police Organization (INTERPOL) to
14 pursue the location and arrest of United States fugitives
15 in Cuba, including current and former members of the
16 military of Cuba, such as those individuals who com-
17 mitted, conspired or attempted to commit, or aided or
18 abetted in the commission of the attack on the aircraft
19 of United States persons in international waters by the
20 military of Cuba on February 24, 1996, with a view to
21 extradition or similar lawful action, including through the
22 circulation of international wanted notices (commonly re-
23 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 not less frequently
8 than annually thereafter, the President shall submit to
9 Congress a report on the role of the Ministry of the Revo-
10 lutionary Armed Forces and the Ministry of the Interior
11 of Cuba 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 not less frequently
16 than annually thereafter, the President shall submit to
17 Congress a report on the confiscation of property and the
18 use of confiscated property by the Ministry of the Revolu-
19 tionary Armed Forces and the Ministry of the Interior of
20 Cuba.

21 (b) DEFINITIONS.—In this section, the terms “con-
22 fiscated” and “confiscation” have the meanings given
23 those terms in section 401 of the Cuban Liberty and
24 Democratic Solidarity (LIBERTAD) Act of 1996 (22
25 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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