



STATE OF FLORIDA

**ASHLEY MOODY
ATTORNEY GENERAL**

May 30, 2024

The Honorable Janet Yellen
Secretary
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear Secretary Yellen:

I write to express my office's deep concerns regarding the recent pro-Cuba regulatory changes made by the Department of the Treasury's Office of Foreign Assets Control.¹ These President Biden-directed regulatory amendments to the Cuban Assets Control Regulations, 31 CFR part 515, (the "CACR Amendments") include: (1) authorizing Cuban nationals who are "independent private sector entrepreneurs" to open and use U.S. bank accounts, regardless of whether the national is physically located in the U.S., Cuba, or another country, and (2) reinstating authorization for "U-turn" transactions² that benefit Cuba and Cuban nationals.³

Last year, the Biden administration considered but did not implement the CACR Amendments after receiving opposition from congressional representatives and the Cuban-American community. These individuals and groups have emphasized that there is no legitimate free enterprise in communist Cuba as the private sector is under total government control. They also expressed concerns that private enterprises in Cuba are owned or controlled by people with ties to Cuba's totalitarian regime.⁴ A congressional hearing was even held by the Western Hemisphere Subcommittee of the House Foreign Affairs Committee in January of 2024 that explored the disturbing extent to which Cuban "private" businesses were or could be tied to Cuba's regime.⁵

¹ <https://ofac.treasury.gov/media/932896/download?inline>

² "U turn" transactions are fund transfers that originate and terminate outside the United States, provided that neither the originator nor the beneficiary are subject to U.S. jurisdiction.

³ <https://ofac.treasury.gov/media/932896/download?inline>

⁴ <https://www.miamiherald.com/news/nation-world/world/americas/cuba/article288795080.html>

⁵ https://www.youtube.com/watch?v=k_FauUE2F6I

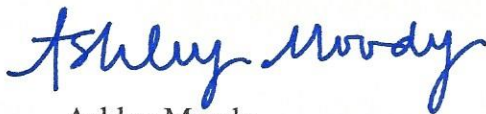
Inexplicably, the Biden administration has ignored all of these concerns and moved forward with the CACR Amendments. The ill-thought-out CACR Amendments do not require that Cuban nationals passing money through the U.S. or opening U.S. bank accounts provide proof that they are not related or connected to members of the communist dictatorship. This could potentially allow for businesses owned or controlled by relatives or associates of communist regime members to open bank accounts and infiltrate the American market by masquerading as “independent private sector entrepreneurs.” Further, the permitting of U-turn transactions allows for more money to flow into communist Cuba and could make U.S. banking institutions a shiny new destination for those looking to launder money to or from Cuba. These changes will likely do little to help the suffering of the Cuban people and will only strengthen those bad actors who keep the Cuban people oppressed.

The CACR Amendments not only fly in the face of reasoned opposition and common sense, they also reverse the approach taken on this issue by the Treasury just four years ago. In 2019, the Treasury banned U-turn transactions for Cuba and Cuban nationals as a means of, in the Treasury’s own words, “denying Cuba access to hard currency” and “curbing the Cuban government’s bad behavior while continuing to support the long-suffering people of Cuba.”⁶ By suddenly reversing course and allowing for U-turn transactions and Cuban-held U.S. bank accounts, the current federal administration has indicated that it is not interested in these ideals.

We recognize that the CACR Amendments are just the most recent in a long line of pro-Cuba actions taken by the current administration as President Biden continues to be manipulated by the Castro regime. These actions include allowing Cuban regime operatives to tour TSA facilities at the Miami International Airport (even though Cuba is designated as a State Sponsor of Terrorism) and removing Cuba from the shortlist of countries deemed uncooperative on counterterrorism.⁷ Slowly but surely, President Biden is opening up America to unscrupulous actors within communist Cuba. This must stop.

The horrific plight being faced by Cuban citizens has had a direct effect on Florida as Cubans flee their country and settle in our state. Over 75% of Cuban immigrants in the U.S. reside in Florida.⁸ As Florida’s Attorney General, I agree that the people of Cuba who have faced and continue to face oppression by their government need help, but that help should be geared towards supporting free elections and democracy, not instituting changes that may do more to help the oppressors than the oppressed. We urge the Treasury and the Biden administration to side with reason and common sense and stop this continued support of Cuba’s communist interests.

Sincerely,



Ashley Moody
Florida Attorney General

⁶ <https://home.treasury.gov/news/press-releases/sm770>

⁷ <https://gimenez.house.gov/2024/5/congressman-carlos-gimenez-rep-diaz-balart-and-senator-scott-denounce-castro-regime-operatives-touring-tsa-facilities-at-miami-international-airport>; <https://www.miamiherald.com/news/nation-world/world/americas/cuba/article288506564.html>.

⁸ <https://www.migrationpolicy.org/article/cuban-immigrants-united-states-2021>