

115TH CONGRESS
1ST SESSION

H. R. 525

To modify the prohibition on United States assistance and financing for certain exports to Cuba under the Trade Sanctions Reform and Export Enhancement Act of 2000, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2017

Mr. CRAWFORD (for himself, Mr. CONAWAY, Mr. ABRAHAM, Mr. POE of Texas, Mr. COMER, Ms. LEE, Ms. KELLY of Illinois, Ms. DELBENE, Mr. FARENTHOLD, Mr. THOMPSON of Mississippi, Mr. MOULTON, Mr. EMMER, Ms. MCCOLLUM, Ms. CASTOR of Florida, Mr. HARPER, Mr. WESTERMAN, Mr. ROKITA, Mr. MARSHALL, Mr. SMITH of Missouri, Mr. RODNEY DAVIS of Illinois, Mr. PALAZZO, Mr. YOUNG of Alaska, Mr. THOMPSON of Pennsylvania, Mr. BANKS of Indiana, Mrs. BUSTOS, Mr. BEYER, and Mr. JONES) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, and Agriculture, 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 modify the prohibition on United States assistance and financing for certain exports to Cuba under the Trade Sanctions Reform and Export Enhancement Act of 2000, 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.**

2 This Act may be cited as the “Cuba Agricultural Ex-
3 ports Act”.

4 **SEC. 2. FINDINGS.**

5 Congress finds the following:

6 (1) The United States has a long history of
7 providing safe and reliable exports. Close proximity
8 to Cuba lends itself to low transportation costs for
9 United States goods exported to Cuba. The United
10 States is geographically poised to be a significant
11 trading partner in agricultural commodities.

12 (2) Cuba imports approximately 80 percent of
13 its food, with global agricultural exports to Cuba
14 doubling over the past decade to \$1,900,000,000.

15 (3) In 2005, the United States Department of
16 the Treasury published a final rule narrowing the
17 definition of “cash in advance” for trading with
18 Cuba, requiring that cash payments must be made
19 before United States products leave United States
20 ports, rather than the more customary payment
21 upon delivery. United States firms are precluded
22 from offering credit to ALIMPORT, a state-owned
23 and state-controlled entity that makes all decisions
24 regarding United States exports to the Cuban mar-
25 ket, resulting in declining United States agricultural
26 exports to Cuba. Notably, rice exports fell from a

1 value of \$64,000,000 in 2004 to essentially \$0 in
2 2009 and subsequent years.

3 (4) Recent action by the Obama administration
4 reversed that change to the definition of cash in ad-
5 vance, but United States agricultural exporters are
6 still not permitted to extend credit to Cuban buyers,
7 a key disadvantage relative to other exporting coun-
8 tries.

9 (5) In addition, there is no opportunity for
10 United States agricultural businesses to trade di-
11 rectly with the Cuban people and there is no Cuban
12 market; United States businesses have only one
13 venue to trade with Cuba and that is through
14 ALIMPORT, the state-owned and state-controlled
15 entity described in paragraph (3).

16 (6) Despite these restrictions, the United States
17 has been the largest exporter of agricultural goods
18 to Cuba over the last decade. However, the United
19 States slipped to being the second leading exporter
20 of agricultural goods to Cuba in 2013 and the third
21 leading exporter of agricultural goods to Cuba in
22 2014.

23 (7) While trade opportunities exist, Cuba re-
24 mains an undemocratic autocracy that oppresses its
25 own people and restricts freedom.

1 (8) With these cautionary factors in mind, it is
 2 important to provide United States farmers and
 3 ranchers additional opportunities to benefit from
 4 trade with Cuba.

5 **SEC. 3. MODIFICATION OF PROHIBITION ON UNITED**
 6 **STATES ASSISTANCE AND FINANCING FOR**
 7 **CERTAIN EXPORTS TO CUBA UNDER THE**
 8 **TRADE SANCTIONS REFORM AND EXPORT EN-**
 9 **HANCEMENT ACT OF 2000.**

10 Section 908 of the Trade Sanctions Reform and Ex-
 11 port Enhancement Act of 2000 (22 U.S.C. 7207) is
 12 amended as follows:

13 (1) In the section heading, by striking “**AND**
 14 **FINANCING**”.

15 (2) In subsection (a), by adding at the end the
 16 following:

17 “(4) EXCEPTION FOR CERTAIN PROGRAMS.—

18 “(A) IN GENERAL.—Subject to subpara-
 19 graph (B), paragraph (1) shall not apply with
 20 respect to—

21 “(i) exports to Cuba under section
 22 202 of the Agricultural Trade Act of 1978
 23 (7 U.S.C. 5622), section 203 of the Agri-
 24 cultural Trade Act of 1978 (7 U.S.C.

5623), or section 702 of the Agricultural Trade Act of 1978 (7 U.S.C. 5722); or

“(ii) any obligation or expenditure of funds to promote trade with Cuba by Federal commodity promotion programs established in accordance with a commodity promotion law, as defined by section 501(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(a)).

“(B) RESTRICTION ON CERTAIN RECIPIENTS.—The exceptions under subparagraph (A) shall not apply if the recipient of the United States assistance would be an entity controlled by the Government of Cuba, including the Revolutionary Armed Forces of Cuba, the Ministry of the Interior of Cuba, and any subdivision of either such governmental entity.”.

(3) In subsection (b), to read as follows:

“(b) FINANCING OF SALES OF AGRICULTURAL COMMODITIES TO CUBA.—

“(1) IN GENERAL.—A person subject to the jurisdiction of the United States may provide payment or financing for sales of agricultural commodities to Cuba or to an individual or entity in Cuba.

“(2) DEFINITIONS.—In this section:

1 “(A) AGRICULTURAL COMMODITY.—The
 2 term ‘agricultural commodity’ has the meaning
 3 given that term in section 102 of the Agricul-
 4 tural Trade Act of 1978 (7 U.S.C. 5602).

5 “(B) FINANCING.—The term ‘financing’
 6 includes any loan or extension of credit.”.

7 **SEC. 4. AUTHORITY OF PERSONS SUBJECT TO THE JURIS-**
 8 **DICTION OF THE UNITED STATES TO INVEST**
 9 **WITH RESPECT TO CERTAIN AGRICULTURAL**
 10 **BUSINESS IN CUBA.**

11 (a) IN GENERAL.—Notwithstanding any other provi-
 12 sion of law, a person subject to the jurisdiction of the
 13 United States may make an investment with respect to
 14 the development of an agricultural business in Cuba if the
 15 Secretary of State and Secretary of Agriculture jointly de-
 16 termine that—

17 (1) the agricultural business is not controlled by
 18 the Government of Cuba, including the Revolu-
 19 tionary Armed Forces of Cuba, the Ministry of the
 20 Interior of Cuba, or any subdivision of either such
 21 governmental entity; and

22 (2) the agricultural business does not traffic in
 23 the property of persons subject to the jurisdiction of
 24 the United States that was confiscated by the Cuban
 25 Government on or after January 1, 1959.

1 (b) DEFINITIONS.—In this section:

2 (1) AGRICULTURAL BUSINESS.—The term “ag-
3 ricultural business” means any entity involved in the
4 production, manufacture, or distribution of agricul-
5 tural products (as such term is defined in section
6 207 of the Agricultural Marketing Act of 1946 (7
7 U.S.C. 1626)).

8 (2) CONFISCATED, CUBAN GOVERNMENT, PROP-
9 erty, AND TRAFFIC.—The terms “confiscated”,
10 “Cuban Government”, “property”, and “traffic”
11 have the meanings given such terms in section 4 of
12 the Cuban Liberty and Democratic Solidarity
13 (LIBERTAD) Act of 1996 (22 U.S.C. 6023).

14 (3) INVESTMENT.—The term “investment”,
15 with respect to the development of an agricultural
16 business in Cuba, means—

17 (A) entry into a contract involving the pur-
18 chase of a share of ownership, including an eq-
19 uity interest, in the development of the agricul-
20 tural business;

21 (B) entry into a contract providing for par-
22 ticipation in royalties, earnings, or profits in
23 the development of the agricultural business; or

- 1 (C) entry into, or performance or financing
- 2 of, a contract to sell goods, services, or tech-
- 3 nology relating to the agricultural business.

