

Congress of the United States

Washington, DC 20510

June 8, 2016

Mr. John Smith
Acting Director
Office of Foreign Assets Control
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Mr. Charles Rivkin
Assistant Secretary for Economic and Business Affairs
U.S. Department of State
2201 C Street, N.W.
Washington, D.C. 20037

Dear Director Smith and Assistant Secretary Rivkin:

We are writing in follow-up to our April 1, 2015, letter in support of Bangor International Airport's (BIA) application seeking approval of transit stops at BIA by foreign airlines operating flights to and from Cuba. We strongly urge the Administration to amend the Cuban Assets Control Regulations (CACR) in order to allow such stops.

BIA requests a license or waiver from the Office of Foreign Asset Control (OFAC) to permit these stops. In our April 1, 2015, letter to OFAC, we noted that allowing transit stops would be consistent with the Administration's stated Cuba policy and benefit the Maine economy in a variety of ways. First, it would help reduce the negative effect of the CACR on U.S. workers and businesses by allowing them to compete to offer services, such as refueling, de-icing, catering, and crew services. Second, it would not create any incremental financial benefit for Cuba or Cuban nationals. Third, it would honor one of the provisions set forth in the U.S.-EU Air Transport Agreement of 2007. Finally, we noted that OFAC regulations have previously been amended to allow foreign vessels en route to or from Cuba to make transit stops. On May 15, 2015, we received a letter stating that OFAC was reviewing BIA's request. Both letters are enclosed.

In the intervening months, President Obama and his Administration have taken steps to facilitate travel between the United States and Cuba. In February 2016, the United States and Cuba agreed to allow American air carriers to operate up to 110 daily, roundtrip flights between these two countries. In March 2016, the CACR was amended to authorize travel for individual, people-to-people education travel. In addition, U.S. banking institutions were permitted to carry out U-turn transactions, in which funds pass through the United States before being transferred to a foreign bank. Very recently, a Carnival Cruise ship with 710 passengers landed in Havana. Despite all this, flights are not permitted to make technical stops at American airports – even though passengers do not board or leave the plane.

In keeping with these developments, we believe it is appropriate and well past time for the Department of Treasury to permit U.S. airports to pursue additional revenue-generating opportunities. We urge you to review and amend the CACR to permit transit stops for flights between Europe and Cuba. We are confident that such a change would have a substantial positive impact on the Maine economy and be consistent with actions currently being taken by the Obama Administration.

Sincerely,



Susan M. Collins
United States Senator



Angus S. King
United States Senator



Bruce Poliquin
Member of Congress

Enclosures (2)

Congress of the United States
Washington, DC 20510

April 1, 2015

Mr. Adam J. Szubin, Director
Office of Foreign Assets Control
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Director Szubin:

On February 28, 2015, Bangor International Airport (BIA) filed an application with the Office of Foreign Assets Control (OFAC) seeking approval of transit stops at BIA by foreign airlines with respect to flights between Europe and Cuba. The Airport requests license or waiver to permit these stops.

Approval of BIA's application would be consistent with the Administration's stated Cuba policy and benefit the Maine economy because: (1) it promotes the goal of eliminating the negative effect of the Cuban Asset Control Regulations on U.S. businesses; (2) it would not create any incremental financial benefit for Cuba or Cuban nationals; (3) it would honor one of the provisions set forth in the U.S.-EU Air Transport Agreement of 2007; and (4) OFAC regulations have previously been amended to allow foreign vessels en route to or from Cuba to make transit stops.

In his December announcement on U.S. policy toward Cuba, President Obama stated that Americans should no longer be put at a disadvantage in the conduct of commerce with the Cuban people because of long-standing concerns about its government. Bangor International Airport has been harmed by its inability to offer refueling services to foreign aircraft following transatlantic flights if the final destination of the aircraft is Cuba. Permitting these stops would not result in any incremental benefits to Cuba because these flights currently make transit stops in Canada. It would simply allow BIA to compete on a fair and level basis with Canadian airports that currently provide this service without restriction by the Canadian government.


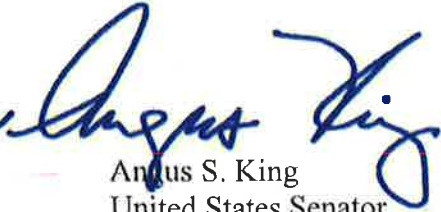
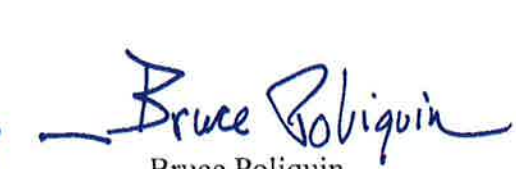
Allowing transit stops of foreign flights would also be consistent with existing international transportation agreements. For example, in the U.S.-EU Air Transport Agreement of 2007, the United States and the European Union granted the right of airlines of the other party to make stops in its territory for non-traffic, transit purposes. In this instance, the United States is prohibiting European carriers to make transit stops if the flight's destination is Cuba. Moreover, given that OFAC recently updated its regulations to permit foreign vessels to make transit stops in the United States before departing for Cuba, foreign air carriers should be authorized similar relief under OFAC regulations.

Allowing foreign carriers these stops would generate revenue in the United States from fuel sales, de-icing fees, catering and crew services, as well as other services associated with

transit stops. This revenue would be especially important to Central Maine, as it lags behind other areas of the state in terms of economic activity and development, and provide a much needed financial boost to families in need of the jobs that these airline stops could generate. It is important to note that not only has BIA lost revenue to foreign airports as it relates to flights to Cuba, but for all flights destined for points in North America, Central America, as well as the Caribbean, whether the final destination is Cuba or not.

Therefore, consistent with all applicable laws and regulations, we urge your consideration of Bangor International Airport's application to permit transit stops for flights between Europe and Cuba. We are confident that approval of a license or waiver to provide this service will have a positive impact on the Central and Eastern Maine economy and is consistent with the United States' changing relationship with Cuba, as set forth by the President.

Sincerely,

		
Susan M. Collins United States Senator	Angus S. King United States Senator	Bruce Poliquin Member of Congress



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

MAY 15 2015

The Honorable Susan M. Collins
United States Senate
Washington, DC 20510

Dear Senator Collins:

Thank you for your letter of April 1, 2015 expressing support for Bangor International Airport's (BIA) request to serve as a transit stop for foreign airlines operating flights to or from Cuba.

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is currently reviewing BIA's request and will issue a written determination to BIA as soon as its review is complete. Should you have additional questions or concerns, please do not hesitate to contact me.

Sincerely,

John E. Smith
Acting Director
Office of Foreign Assets Control

Identical letters sent to:

The Honorable Angus S. King
The Honorable Bruce Poliquin

