

Trump's Changes to U.S.-Cuba Deal Headed Our Way Soon

Commentary by
Karel Suarez

On June 16, President Donald Trump announced a cancellation to the post-Dec.



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14, 2014 U.S. policy toward Cuba. While speaking before prominent members of the Cuban-American community in Miami, President Trump stated that he is "canceling the last administration's completely one-sided deal with Cuba," effective immediately. However, the announced changes do not take effect until the new regulations are officially issued by the different U.S. government departments. The Department of Treasury, along with its Office of Foreign Assets Control (OFAC), as well as the Department of Commerce, will be among the departments that will each have 30 days to review the changes the president has provided. After the 30-day review, the departments will begin drafting the new regulations. It may be months before the new regulations are officially issued, at which moment everything becomes official and binding.

Even though Trump stated that he is "canceling" the engagement between the United States and Cuba, many of President Barack Obama's 2014 policy changes will remain unaffected. For example, the U.S. embassy in Havana will remain open, as will the Cuban embassy

in Washington, D.C. Furthermore, U.S. commercial flights and cruise ships will continue to be permitted to travel to the island. The \$2,000 limit on remittances that can be sent to nonfamily members in Cuba, as well as the change to allow travelers to carry as much as \$10,000 to Cuba, will likewise not be affected. President Trump also did not reverse Obama's elimination of the "wet foot, dry foot" policy—the policy that previously gave Cubans a special status and authorization to stay when they reached the United States. And finally, there will be no change in the restrictions on the types of goods that Americans can take out of Cuba, including the country's popular rum and cigars.

President Trump's new policy includes the following noteworthy changes: (1) U.S. business entities and individuals will not be able to engage in lawful commercial transactions with Cuban entities that are related to the Cuban military, intelligence or security services; and (2) Americans that were traveling to Cuba under an individual people-to-people general license on their own must once again travel solely in group people-to-people travel, which requires a tour operator.

The first major change prohibits U.S. entities and individuals from engaging in any commercial transactions with certain Cuban entities, such as the

management conglomerate known as Grupo de Administración Empresarial, S.A. (GAESA). GAESA is the country's largest corporation and is owned and controlled by the Cuban government. It is responsible for most of the country's economy, and is the holding company that controls scores of subsidiary entities operating in areas such as trade, financial services, hospitality and technology. Through its subsidiary Gaviota Tourism Group, GAESA also operates hotels, restaurants and other travel-related businesses. While President Trump's new policy will severely limit commercial engagement with the island, U.S. entities will still be able to conduct business with Cuban entities owned by the Cuban government, as long as they are not owned or operated by the Cuban military, intelligence or security services. Notably, GAESA does not own the airports or cruise ship terminals, which is why U.S. commercial airline and cruise ships companies will not be forced to cease operations in Cuba.

The second major change imposes restrictions on travel by Americans to Cuba. Before President Obama eased the travel restrictions, most Americans without family ties to Cuba traveled to the island on expensive "people-to-people" guided tours, dedicated to full-time "meaningful interaction" with the Cuban people. President Obama

eliminated the tour requirement, allowing Americans to travel to Cuba on individual "people-to-people" trips that permitted travelers to "self-report" that they were engaged in such people-to-people engagement. Travelers were legally required to maintain logs of their full-time "people-to-people" schedules, but the Obama administration made it clear it would not enforce the requirement. President Trump's new policy will re-impose the requirement that "people-to-people" travelers may only go to Cuba with heavily regulated tour groups. Furthermore, President Trump made it clear that his administration will enforce the requirement. The policy will also ban most Americans traveling to the island to engage in any transaction with a GAESA-owned entity, such as hotels, gas stations and convenience stores. Americans will have to stay at hotels not owned by GAESA or opt for Airbnb providers. Further, Americans will not be able to eat at GAESA-owned restaurants.

Again, none of these potential changes will take effect until the regulations are issued by the different departments in the coming months. The forthcoming regulations will be prospective, and thus will not affect existing contracts and licenses given to U.S. businesses.

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PRACTICE FOCUS / REAL ESTATE

New Law Changes Rules for Homeowner Association Estoppel

Commentary by
Lindsay E. Raphael

As of July 1, there is new estoppel legislation which as of Saturday is requiring that each association estoppel contain new disclosures and contents. The specific Florida Statutes are Sections 718.116 and 720.30851.



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CHANGES

• **Turnaround time:** Within 10 business days after receiving a written or electronic request for an estoppel from a unit owner or the unit owner's designee, or a unit mortgagee or the unit mortgagee's designee, the association must issue the estoppel certificate. If the estoppel certificate is not timely delivered, a fee for preparation and delivery may not be charged.

• **Delivery of estoppel:** An estoppel certificate must be provided by hand delivery, regular mail or email to the requestor.

• **Estoppel effective period:** If the estoppel certificate is hand delivered, it is effective for 30 days. If the estoppel is sent by regular mail, the certificate is effective for 35 days.

Estoppel Fees:

• An association or its authorized agent may charge a fee for the preparation and delivery of an estoppel

certificate, which may not exceed \$250.

• If the estoppel is amended due to a mistake or additional information, an additional fee may not be charged.

• If the estoppel is requested to be delivered in a rush (within three business days after the request), the association may charge an additional fee of \$100.

• If a delinquent amount is owed to the association for the applicable property, an additional fee for the estoppel certificate may not exceed \$150.

• The amount of the estoppel fee must be designated by the board in a written resolution or stated in a contract.

• If the estoppel is requested in connection with the sale of the property and the transaction does not close, the association must return the fee. The refund is the obligation of the owner of the property, and the association may collect it from that owner in the same manner as an assessment.

• If estoppel certificates for multiple properties owned by the same owner are simultaneously requested from the same association and there are no past due monetary obligations owed to the association, the statement of moneys due for those properties may be delivered in one or more estoppel certificates, and the total fee that the association may charge for the preparation and delivery of the estoppel certificates may not exceed in the aggregate: for 25 or fewer units \$750; for 26 to 50 units \$1,000,

for 51 to 100 units \$1,500 and for more than 100 units \$2,500.

CERTIFICATE CONTENTS

The estoppel certificate must contain the following information and must be substantially in the following form:

General information:

- Date of issuance
- Name of the property owner(s) as reflected in the books and records of the association
- Property designation and address
- Parking or garage space number as reflected in the books and records of the association
- Attorney's name and contact information if the account is delinquent and has been turned over to the attorney for collection. No fee may be charged for this information.
- Fee for the preparation and delivery of the estoppel certificate
- Name of the requestor

ASSESSMENT INFORMATION

- Payments required on a periodic basis for "regular" assessments, including the required frequency of payment
- Date through which payment has been received
- The date due and amount of the next "regular" payment
- Itemized list of any amounts currently due
- An itemization of the amounts to become due while the certificate is pend-

ing. In calculating the amounts that are scheduled to become due, the association may assume that any delinquent amounts will remain delinquent during the effective period of the estoppel certificate.

OTHER INFORMATION

- Disclose the existence and amount of any capital contribution fee, resale fee, transfer fee or other fee due
- Disclose whether there are any open violations that were noticed to the owner
- Disclose whether the governing documents require the buyer to be approved and if so, whether the buyer has been approved
- Disclose whether the association has a right of first refusal. If yes, whether that right was exercised. Provide a list of and contact information for all other associations of which the owner is a member
- Provide contact information for all insurance maintained by the association
- Provide the signature of an officer or authorized agent of the association.
- The association may, at its option, include additional information in the estoppel certificate.

Should you have any questions, it is highly recommended that the association contact its attorney to discuss any questions you may have regarding the new estoppel requirements.

Lindsay E. Raphael, a director with Tripp Scott, focuses her practice on condominium and homeowner association matters.