

Disclosing Foreign Influence in Lobbying Act Reintroduced in 118th Congress

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On January 24, 2023, a bipartisan group of senators reintroduced the Disclosing Foreign Influence in Lobbying Act in the 118th Congress. The group is led by Senator Chuck Grassley (R-IA), a longtime proponent of the Foreign Agents Registration Act (FARA) and Lobbying Disclosure Act (LDA) enforcement and reform.

The bill would amend the LDA to require disclosure of foreign governments and/or foreign political parties participating in the direction, planning, supervision, or control of lobbying activities. This is in addition to an existing requirement that LDA registrants disclose any organization contributing more than \$5,000 in a quarterly period to fund the lobbying activities of the registrant. The bill is intended to promote transparency and address an increasing trend in foreign governments and foreign political parties using organizations as proxies to promote their agendas in the United States. To this end, Senator Grassley's press release specifically mentions the Chinese Communist Party, China, and Russia.

The reintroduction of this legislation indicates that further legislative activity concerning FARA and LDA reform is likely the 118th Congress. The nexus between FARA and LDA reform is significant because, under FARA, foreign agents that are engaged in political activity and that are duly registered under the LDA can avail themselves of the LDA exemption to FARA registration, provided that the activity is not being undertaken on behalf of a foreign government/foreign political party and it is not principally benefitting such entities. While the LDA exemption to FARA registration has been routinely subject to criticism for being improperly used by Congressional efforts to remove, amend, or even audit the exemption have thus far failed. This bill would help address what critics refer to as the LDA exemption

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“loophole.”

Wiley’s FARA Handbook provides further information on FARA as well as the relationship between FARA and the LDA. Additional information on proposed LDA and FARA reforms can also be found in our coverage of proposals in the 117th Congress and 2022 Review of FARA developments.

For more information on FARA, the LDA and our related capabilities, please contact the lawyer listed on this alert.