

# Senator Grassley Introduces New Bipartisan FARA Reform Legislation

---

July 2019

On June 10, 2019, U.S. Sen. Chuck Grassley (R-IA) introduced the Foreign Agents Disclosure and Registration Enhancement Act, which aims to improve compliance and enforcement of the Foreign Agents Registration Act (FARA) by enhancing the U.S. Department of Justice's (DOJ) investigative tools and increasing penalties for violations. In addition, the bill directs the U.S. Government Accountability Office (GAO) to audit FARA's Lobbying Disclosure Act (LDA) exemption to study whether the exemption is being misused or abused. The legislation is co-sponsored by Sens. Dianne Feinstein (D-CA), John Cornyn (R-TX), Jeanne Shaheen (D-NH), Marco Rubio (R-FL), and Todd Young (R-IN).

The Foreign Agents Disclosure and Registration Enhancement Act proposes a number of amendments to the FARA statute, including:

- Providing the Attorney General with Civil Investigative Demand authority to investigate possible violations by those who should register as foreign agents;
- Increasing criminal fines and establishing new civil penalties for noncompliance; requiring DOJ to develop and implement a comprehensive enforcement strategy for FARA; and
- Requiring the GAO to produce a report on the effectiveness of these amendments.
- In addition, the bill directs GAO to audit FARA's LDA exemption, including providing an analysis of whether the exemption leads to misuse or abuse of Federal lobbying registration and disclosure requirements.

## Authors

---

Tessa Capeloto  
Partner  
202.719.7586  
tcapeloto@wiley.law

## Practice Areas

---

Election Law & Government Ethics  
Foreign Agents Registration Act (FARA)

This legislation is similar to Senator Grassley's Disclosing Foreign Influence Act, which he introduced in the 115th Congress, but with several important substantive and procedural differences. The old bill would have eliminated the LDA exemption, however, this new bill only calls for an audit of the exemption. Moreover, the 115th Congress featured an array of FARA reform bills in the Senate, which all failed to find traction. The Foreign Agents Disclosure and Registration Enhancement Act differs in that Senators who individually pushed FARA reform bills in the 115th Congress have now come together in a bipartisan manner to champion a single bill.

This new legislation pursues a more conservative approach to the LDA exemption and adds a strong bipartisan coalition of original co-sponsors. This makes the Foreign Agents Disclosure and Registration Enhancement Act immediately more popular than the Disclosing Foreign Influence Act and more likely to become law.

*NOTE: Paul Coyle, a 2019 Wiley Rein summer associate, co-authored this article with Mr. Pickard and Ms. Capeloto.*