

United States Senate

WASHINGTON, DC 20510

June 18, 2008

Dear Colleague,

We are writing today to encourage you to sign on to a vitally important piece of legislation called the Closing the Foreign Lobbying Loophole Act (S. 3123). This bill would close two major loopholes in the Foreign Agents Registration Act (FARA), which allows lobbyists to represent foreign individuals and entities while escaping disclosure. It is time to end these loopholes and any potential abuses in lobbying that weaken the integrity of government in the eyes of the public. As Justice Louis Brandeis once said, "Sunlight is the best disinfectant," and we believe strongly that more sunlight is needed in foreign lobbying disclosure.

FARA, enacted in 1938, requires those who represent foreign entities or individuals to disclose the identity of these clients when they seek to influence U.S. policy. The law was developed as a response to Nazi Propaganda agents in the U.S. before World War II, and currently covers U.S. citizens not only representing foreign individuals, but also foreign governments, foreign businesses/corporations/entities, and foreign political parties. While the law does not restrict lobbying, it does mandate disclosure and promotes transparency.

In recent months, we have heard stories that lobbyists have figured out ways to game the system and evade the purpose and intent of FARA. These loopholes allow foreign agents to operate in the shadows and allow their representation of foreign entities to go undisclosed. The Schumer-McCaskill-Obama measure would close these loopholes and promote an even greater sense of transparency.

The Act would first require those that register under the Lobbying Disclosure Act (LDA) to still register and disclose lobbying activities on behalf of foreign entities under FARA. Under current law, if you register under the LDA and you represent a foreign entity (other than a political party or country), you do not have to disclose under FARA. This is problematic because the LDA only requires disclosure of clients if their representation occupies over 20% of the agent's total lobbying contacts. Because of that threshold, many foreign entities and individuals can attempt to influence U.S. policy without having to disclose their activities, running contrary to the purpose of FARA.

Additionally, the Act would require that any lobbying contacts by foreign agents be disclosed – regardless of whether they occur outside of the United States. Currently, the law only covers representations "within the United States." U.S. citizens representing foreign entities should not be lobbying U.S. officials on foreign soil without disclosing this behavior since that runs contrary to the purpose of the FARA disclosures. Even more so, this action should not occur on foreign soil in order to purposefully evade U.S. law.

We ask that you support this important measure. If you have any questions, or wish to co-sponsor, please contact Jason Abel in Senator Schumer's office at 202-224-6542.

Respectfully,



Charles E. Schumer
United States Senator



Claire McCaskill
United States Senator



Barack Obama
United States Senator