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July 6, 2016

VIA ELECTRONIC TRANSMISSION

The Honorable Loretta E. Lynch
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Lynch:

On April 22, 2015, I wrote to your predecessor, Attorney General Holder, regarding Mr. Sidney Blumenthal, a self-described “advisor” to the Clinton Foundation and an individual that Secretary Clinton used as an off the books intelligence resource during her time at the State Department. My letter noted that Mr. Blumenthal was delivering documents to Secretary Clinton on behalf of a Mr. John Kornblum, a lawyer working for the opposition party in Georgia. One document in particular that Mr. Kornblum passed to Mr. Blumenthal was a personal letter to Secretary Clinton from Mr. Bidzina Ivanishvili, the leader of the opposition Georgian Dream.¹ In that letter, Mr. Ivanishvili requested Secretary Clinton’s support for Georgian Dream, which was opposing the sitting Georgian government in an upcoming election. These activities and communications on behalf of foreign principals appear to fall within the types of activity intended to be regulated by the Foreign Agents Registration Act. Thus, I write today for an update on the Department of Justice’s (DOJ) May 21, 2015, response.

As you are aware, the FARA statute requires individuals to register with the DOJ if they act, even through an intermediary, “as an agent, representative, employee, or servant” or “in any other capacity” at the behest of a foreign principal—including a foreign political party such as Georgian Dream—for purposes of engagement with a United States official.² The registration

¹ Sam Biddle, *Did Clinton’s Backdoor Advisor Illegally Lobby for Putin Ally?*, GAWKER (March 30, 2015); see also, Jeff Gerth, *Private Emails Reveal Ex-Clinton Aide’s Secret Spy Network*, PROPUBLICA in conjunction with Sam Biddle of GAWKER (March 27, 2015).

² 22 U.S.C. §§ 611(b)-(c).

requirement applies to anyone who attempts to influence a U.S. government official on behalf of a foreign principal in an effort to “formulat[e], adopt[], or chang[e] the domestic or foreign policies of the United States.”³ Likewise, an individual whose activities are subject to registration under FARA and who sends informational material “for or in the interests of [a] foreign principal” with the intent or belief that such material will be circulated among at least two persons must transmit the material to the Attorney General no later than 48 hours after actual transmission.⁴ Notably, an ongoing failure to register with the DOJ is a continuing offense.⁵

Much like the Lobbying Disclosure Act, FARA promotes a fundamental public interest in openness and transparency in policymaking.⁶ FARA registrants, for example, must disclose substantial business and financial information and make that information available for inspection.⁷ The behavior of Mr. Blumenthal and Mr. Kornblum, to include multiple reported transmittals to the Secretary of State on behalf of foreign entities, consists of the type of activity Congress intended to reach.

Despite these activities and communications on behalf of a foreign entity, neither Mr. Kornblum nor Mr. Blumenthal and his associates registered with the DOJ under FARA at the time.⁸ In DOJ’s May 21 response, it said, “[a]ccording to the FARA Unit’s records, neither [Mr. Blumenthal or Mr. Kornblum] is, or has been, registered under FARA.” Notably, the FARA registration bank contains other individuals acting on behalf of the Georgian Dream.

The DOJ’s response further states that a letter of inquiry is sent to individuals when questions exist with respect to the requirement to register and that specific to Mr. Blumenthal or Mr. Kornblum, “[t]he Department will take appropriate steps to evaluate whether further action is warranted.” On June 18, 2015, DOJ personnel briefed my staff on FARA related issues to include Mr. Blumenthal’s and Mr. Kornblum’s failure to register under FARA. DOJ officials were not prepared to discuss the particulars relating to them at that time. Given that it is has been over one year since that briefing and over one year since the DOJ official letter response, please provide an update to the following questions:

1. Have Mr. Blumenthal and/or Mr. Kornblum been registered with the DOJ under FARA since the DOJ’s May 21, 2015 letter? If not, why not?
2. Did the DOJ send a letter of inquiry to Mr. Blumenthal? If so, please provide a copy. If not, why not?

³ 22 U.S.C. § 611(o).

⁴ 22 U.S.C. § 614(a).

⁵ 22 U.S.C. § 618(e).

⁶ H.R. Rep. 104-339(I) at 5-6 (1995).

⁷ 22 U.S.C. §§ 612, 615.

⁸ 22 U.S.C. § 611 *et seq.*

3. Did the DOJ send a letter of inquiry to Mr. Kornblum? If so, please provide a copy. If not, why not?
4. Did the DOJ, or any component of the DOJ, inspect any books or records of Mr. Blumenthal or Mr. Kornblum relating to their activities with the Georgian Dream or any other foreign entity? If not, why not?
5. In DOJ's May 21, 2015 letter, it noted that "[t]he Department will take appropriate steps to evaluate whether further action is warranted." What steps were taken to evaluate whether further action was necessary with respect to Mr. Blumenthal's and Mr. Kornblum's failure to register under FARA?
6. Has the DOJ completed its inquiry into Mr. Blumenthal's and Mr. Kornblum's failure to register under FARA? If so, please provide the final report of inquiry.

Please answer the questions according to their corresponding questions. Thank you in advance for your cooperation with this request. Please respond no later than July 21, 2016. If you have questions, contact Josh Flynn-Brown of my Committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley
Chairman
Committee on the Judiciary