



Lobbying Disclosure and Alignment

Seventh Generation Interfaith
February 15, 2023

Welcome!

- ▶ Participants will be in listen only mode until the Q&A section. You can also enter questions into the Chat.
- ▶ This webinar will be recorded and posted on our website.

Reflection



Companions in this conversation



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Our Itinerary

- ▶ **What Do Advocates of Lobbying Disclosure Seek?**
- ▶ **Leading Lobbying Practices to Drive 1.5° C Climate Action**
- ▶ **Boston Trust Walden Resolution at UPS**
- ▶ **Q&A**

What Do Advocates of Lobbying Disclosure Seek? (1/3)

1. A brief introduction for investors on the rationale / philosophy for the company regarding lobbying; e.g. why does the company lobby and how does its lobbying advance company and shareholder interests? How are the priorities for lobbying defined?
2. A description of oversight by management and Board, including any committee oversight, of lobbying.
3. A summary of what the company's top lobbying priorities have been in the last year or two and the rationale for choosing them. What has the company position been on those key lobbying priorities? This is important since without background and context, simply disclosing quarterly payments by linking to the Senate website is often confusing and cryptic information.

What Do Advocates of Lobbying Disclosure Seek? (2/3)

4. What trade associations -- 501(c)(6) organizations -- does the company participate in? Disclosure of all trade associations receiving payments of \$25,000 or higher, disclosing the total amounts paid and also the amount of all its payments used for lobbying, which are non-deductible under Section 162(e)(1)(A) of the Internal Revenue Code. This disclosure should make clear that it includes ALL payments made to trade associations (this would include any payments made in addition to dues).
5. How does management communicate with and/or influence a trade association when its position strongly differs from the company on a priority issue, giving examples? How management reviews trade association memberships to assess whether they are advancing the company's business needs and policy goals.
6. What social welfare organizations -- 501(c)(4) organizations -- does the company participate in? Social welfare organizations may engage in lobbying, and any portion of company payments that funds lobbying is not tax-deductible. Disclosure should track the same elements of trade associations in Point 4 but include a lower threshold of receiving payments or \$10,000 of higher.

What Do Advocates of Lobbying Disclosure Seek? (3/3)

7. A summary of yearly federal lobbying expenditures, including dollar amounts spent, and a link to two years of quarterly reports with specific detailed dollar amounts spent on lobbying.
8. A summary of yearly state lobbying expenditures, including identification of the dollar amounts spent by state.
9. A description of any grassroots lobbying activities.
10. Disclosure of membership in and any payments to tax-exempt organizations that write and endorse model legislation, such as the American Legislative Exchange Council (ALEC), along with an explanation of how the company's membership in an organization serves company interests.
11. Links to all previous years' disclosure reports

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Leading Lobbying Practices to Drive 1.5° C Climate Action



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Boston Trust Walden Resolution at UPS

Resolved: Shareholders request the board disclose annually, at reasonable expense and omitting proprietary information:

- ▶ UPS' criteria governing direct and indirect lobbying and political expenditures;
- ▶ The company's process for identifying, evaluating, and addressing incongruency of its lobbying and political expenditures and UPS public commitments and policies; and
- ▶ All memberships and payments to trade associations and tax-exempt organizations engaged in lobbying and/or the drafting of model legislation.

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Resources:

- ▶ [What Do Advocates of Lobbying Disclosure Seek?](#)
- ▶ [Leading Lobbying Practices to Drive 1.5° C Climate Action](#)
- ▶ [Boston Trust Walden Resolution at UPS](#)
- ▶ [Zevin Paris Aligned Lobbying Resolution at Alphabet](#)
- ▶ [2023 Climate Lobbying Alignment Resources](#)

Questions



- ▶ **Tim Smith**, Senior Policy Advisor, ICCR, tsmith@iccr.org
- ▶ **John Keenan**, Corporate Governance Analyst, AFSCME, jkeenan@afscme.org

Thank You

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