

## **Lobbying Expenditures Disclosure 2012 – General Electric Company**

**WHEREAS**, in the USA corporations are considered persons having the right to express opinions to legislators and regulators on public policy issues ranging from environment to health care. However, corporations can exert significantly greater influence than single persons or groups regarding access to legislators and regulators and may promote interests unknown and contrary to the fiscal and ethical concerns of their shareholders.

While many companies in the health care industry have told shareholders they are in basic support of the health reform law (Affordable Care Act), albeit with a desire for necessary changes, many of these corporations are members of groups such as the United States Chamber of Commerce (USCC), the American Legislative Exchange Council (ALEC) and other trade associations which are actively working for the total elimination of the ACA.

It is important that our company's lobbying positions, as well as processes to influence public policy, are transparent. Public opinion is skeptical of corporate influence on Congress and public policy. Questionable lobbying activity may pose risks to our company's reputation when controversial positions are embraced. Hence, we believe full disclosure of General Electric's policies, procedures and oversight mechanisms is warranted.

**RESOLVED**, shareholders of General Electric request the Board authorize the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing the lobbying of legislators and regulators, including that done on our company's behalf by trade associations. The disclosure should include both direct and indirect lobbying and grassroots lobbying communications.
2. A listing of payments (both direct and indirect, including payments to trade associations) used for direct lobbying as well as grassroots lobbying communications, including the amount of the payment and the recipient.
3. Membership and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of the decision making process and oversight by the management and Board for
  - a. direct and indirect lobbying contribution or expenditure; and
  - b. payment for grassroots lobbying expenditure.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation, (b) reflects a view on the legislation and (c) encourages the recipient of the communication to take action with respect to the legislation.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee of the Board or other relevant oversight committees of the Board and posted on the company's website.

**Supporting Statement:** General Electric spent approximately \$39,290,000 from July 1, 2010 to June 30, 2011 on direct federal lobbying activities, according to the U.S. Senate Office of Public Records. These figures may not include its grassroots lobbying to directly influence legislation by mobilizing public support or opposition. Also, not all states require disclosure of lobbying expenditures to influence legislation or regulation and many companies do not disclose contributions to tax-exempt organizations that write and endorse model legislation.

As shareholders, we believe transparent disclosure on these matters addresses shareholders' best interests.