

Whereas, we believe in full disclosure of The GEO Group’s (“GEO”) direct and indirect lobbying activities and expenditures to assess whether GEO’s lobbying is consistent with GEO’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of GEO request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by GEO used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. GEO’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which GEO is a member.

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 or other relevant oversight committees and posted on GEO’s website.

Supporting Statement

We encourage transparency in GEO’s use of funds to lobby. GEO spent \$8.63 million from 2010 – 2019 on federal lobbying, including \$1.7 million on lobbying in 2017 “to secure contracts and influence the nation’s immigration policy.”¹ This does not include state lobbying expenditures, where GEO also lobbies but disclosure is uneven or absent. For example, GEO had at least 124 lobbyists in 20 states in 2019 (followthemoney.org), and GEO was identified as the prison operator with worst COVID-19 safety record and having deep political roots in Florida.²

GEO is a member of the National Association of Real Estate Investment Trusts, which spent \$31,684,703 on lobbying from 2010 – 2019. GEO is also listed as a member of the Florida Chamber of Commerce, which had at least 25 lobbyists in Florida in 2017.³ GEO does not comprehensively disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying. Absent a system of accountability, company assets could be used for objectives contrary to GEO’s long-term interests.

¹ <https://www.opensecrets.org/news/2018/06/zero-tolerance-immigration-is-big-money-for-contractors-nonprofits/>

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<https://www.tampabay.com/news/health/2020/05/01/florida-prison-operator-with-worst-covid-19-safety-record-has-deep-political-roots/>

³ <https://www.flchamber.com/the-good-the-bad-and-the-ugly/>

GEO has faced negative publicity for its lobbying. For example, GEO's lobbying over how long immigrant children in Texas can be detained has attracted scrutiny,⁴ and a GEO lobbyist attracted scrutiny for gaining unauthorized access to a virtual Homeland Security subcommittee hearing.⁵ We believe the reputational damage stemming from GEO's direct and indirect lobbying efforts harms long-term value creation by GEO,⁶ and thus we urge the Board to institute comprehensive lobbying disclosure.

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<https://theintercept.com/2017/05/02/private-prison-corporation-wrote-texas-bill-extending-how-long-immigrant-children-can-be-detained/>

⁵ <https://thehill.com/policy/technology/507753-gop-lawmaker-raises-concern-over-lobbyist-gaining-unauthorized-access-to>

⁶ <https://boingboing.net/2019/08/04/geo-group-too-filthy-for-edelm.html>