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January 26, 2025

Chairman Thomas H. Prol, Esq. New Jersey Election Law Enforcement Commission P.O. Box 185 Trenton, NJ 08625-0185

Re: <u>Investigation Request into Mikie Sherrill</u>

Dear Chairman Prol:

I represent Mayor Steve Fulop and the Fulop for Governor campaign, and I am writing to amend our prior complaint regarding the use of funds by Mikie Sherrill and her attempts to circumvent the expenditure limit for gubernatorial campaigns that accept matching funds. In short, we believe that Sherrill has improperly used funds from her federal congressional account in anticipation of this upcoming election, and we ask the New Jersey Election Law Enforcement Commission ("ELEC") to investigate her campaign further. We are supplementing our prior complaint given Sherrill's public denials of her activity, which are patently false.

As you may be aware, Mikie Sherrill is a sitting member of the U.S. House of Representatives from New Jersey's 11<sup>th</sup> District and a candidate for Governor of New Jersey as of November 18, 2024. It had been widely and publicly acknowledged for more than a year that Sherrill intended to run for Governor in 2025, with Sherrill receiving numerous endorsements from elected officials and other groups before she even formally announced her campaign.

<sup>1.</sup> NEWJERSEYGLOBE, The Big Five Eye Higher Office, tinyurl.com/23fb96r5 (Oct. 3, 2023); POLITICO, New Jersey Politics is a Notorious Mess. It's About to Hit New Levels of Nasty., tinyurl.com/yk7rgyqq (Oct. 5, 2023); MONTCLAIR LOCAL, Mikie Sherrill 'Strongly Considering' Run for Governor in '25, tinyurl.com/27n95gqm (Aug. 12, 2024); NJ SPOTLIGHT NEWS, Sherrill and Gottheimer: Prepping for Governor Race?, tinyurl.com/2dmee77v (Sep. 9, 2024); POLITICO, Two Potential Candidates for N.J. Governor Show Off Their Fundraising, tinyurl.com/29vfxdcs (Oct. 15, 2024).

<sup>2.</sup> Prior to even announcing, Sherrill had received endorsements from the <u>Firefighters Mutual Benevolent Association</u>, <u>Laborers Union</u>, and <u>Emily's List</u>, among others.

### 1. Sherrill Violated ELEC's Prohibition of Using a Separate Campaign Accounts to Bypass Gubernatorial Limits on Campaign Expenditures<sup>3</sup>

On April 18, 2023, ELEC issued Advisory Opinion No. 01-2023, which stated that if a candidate for Governor of New Jersey who is seeking public matching funds makes coordinated expenditures from a separate campaign account that benefits their gubernatorial campaign, those expenditures must be attributed and subject to the expenditure cap of N.J.A.C. 19:25-16.27. ELEC advised candidates that it does not matter if the candidate had not yet sought matching funds when the expenditures were made, or had even formally declared, announced, or filed their gubernatorial candidacy; regardless, the expenditures must count against the expenditure cap.

Sherrill has repeatedly violated this Advisory Opinion during the 2023-2024 election cycle in which she was running for reelection as a member of the U.S. House of Representatives, and we therefore ask ELEC to investigate her expenditures and determine the appropriate sum that must be deducted from the amount she is permitted to spend in this election. To assist ELEC in this process, we have included below a non-exhaustive list of expenditures that we believe were coordinated and made with the purpose of benefiting her future gubernatorial candidacy.

### a. Sherrill Spent Congressional Funds for Gubernatorial Advertising

Sherrill has repeatedly used her congressional funds to promote her brand and name recognition outside of her congressional district in anticipation of her gubernatorial campaign.

Specifically, and by way of example, Sherill launched a paid digital campaign across YouTube, CTT/OTT,<sup>4</sup> and Facebook in September 2024, in addition to a linear advertising campaign valued in excess of \$1,000,000. On September 6, 2024, Mikie Sherrill for Congress sent out a corresponding press release matching her report expenditures verifying a "7 Figure Buy," which can be found at the following link: <a href="https://www.tinyurl.com/2873rzgd">https://www.tinyurl.com/2873rzgd</a>.

<sup>3.</sup> Sherrill's most recent report with the Federal Elections Commission was filed on December 5, 2024. We reserve the right to supplement this report with expenditures made after her most recent filing.

<sup>4. &</sup>quot;CTV" refers to Connected TV Advertising, which is a method of advertising that targets viewers watching television content via an Internet-connected device, such as a smart TV, Roku, Apple TV, or Amazon Fire Stick. "OTT" refers to Over-the-Top Advertising, which is a method of advertising that delivers video content to viewers over the Internet, such as through banner ads, Hulu, or YouTube TV.

Based on Google's transparency dashboard, the campaign spent a total of \$45,800 in New Jersey on YouTube placements; however, 62.6% of the overall Google spend was spent outside of her congressional district (NJ-11). See Exhibit A. On Facebook, she spent \$49,132 overall in New Jersey with the overwhelming majority spent outside her congressional district. And her CTV/OTT spending data shows that more than 90% of ads served were outside of CD-11. Data was obtained via data reports from two sources—MiQ and Vizio.<sup>5</sup> The MiQ data indicates 92.2% of OTT and linear impressions from 8/1/24 - 11/5/24 reached audiences outside of NJ-11 and the Vizio data shows that 93.16% of OTT and Linear impressions from 09/01/24 - 11/7/24 reached audiences outside of NJ-11. In other words, nearly the entire seven-figure ad buy was targeted toward voters who were not eligible to vote for her in her congressional campaign.

Aside from the data that demonstrates where the advertising went, even the news media picked up on Sherrill's clear intention to use congressional funds for gubernatorial purposes.

Sherrill's efforts at improving her name ID are evident: she launched a seven-figure ad buy in her noncompetitive congressional race this fall, televising spots that didn't feature the words "Congress," "2024," or "re-election."

### https://www.tinyurl.com/29e5mhmj.

Her advertising even led one reporter to state that it "doesn't take much reading between the lines here to see how the ad's messages are geared towards elections beyond just this year." https://www.tinyurl.com/2ahbb29g.

### b. Sherrill Spent Congressional Funds for Gubernatorial Events

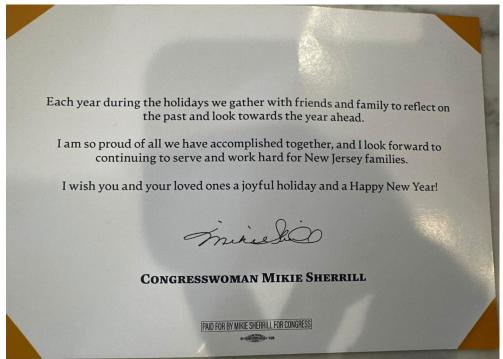
Sherrill has openly flouted ELEC's restrictions publicly in other ways as well. She launched her campaign at the Hard Rock Hotel & Casino in Atlantic City in front of a banner with her gubernatorial logo on it, even though invitations acknowledged that the event was being paid for by Mikie Sherrill for Congress. Based on the enclosed documentation, the event cost at least \$27,000. We have included receipts from the event, photographs, and the invitation. See Exhibit B.

<sup>5.</sup> MiQ is a programmatic platform that can see CTV/OTT competitive data that is being run in the open exchange across a variety of inventory sources. Vizio is a major CTV/OTT provider that has owned and operated inventory and has partnerships with other inventory sources.

### c. Sherrill Spent Congressional Funds for Gubernatorial Mailers

Sherrill has also spent money outside her district in other ways. For example, she sent out at least one mail piece to voters who live outside using congressional campaign funds. These mailers include labels that state that they were "Paid for by Mikie Sherrill for Congress." Below are photographs of the mailer:





Sworn statements from nine different individuals located outside her congressional district who received the mailer will be provided upon request. None of these individuals have ever received correspondence from Sherrill prior to this one.

#### 2. Conclusion

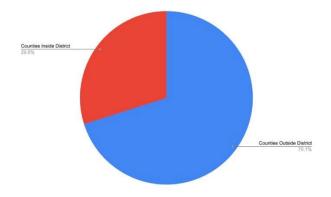
We believe that Sherrill has clearly violated Advisory Opinion No. 01-2023 and ask that ELEC conduct an investigation into her congressional finances. If appropriate, we ask ELEC to either limit Sherrill's access to matching funds or deny him access altogether. We appreciate your prompt attention to this matter given the short time frame until funds are disbursed.

Respectfully submitted,

/s/ Scott D. Salmon, Esq. Scott D. Salmon, Esq.

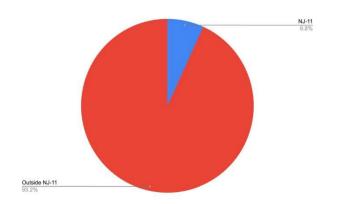
Ryan Peters, Commissioner cc: Norma R. Evans, Commissioner Jon-Henry Barr, Commissioner Edwin R. Matthews, Legal Counsel

# Exhibit A



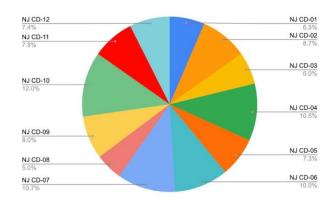
### Vizio Impressions by District:

Based on the percentages of impressions that were detailed in Vizio's report, we can infer that 93.2% of impressions were served outside of NJ-11.

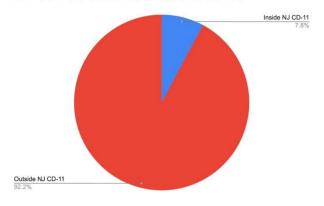


### MiQ Impressions by District:

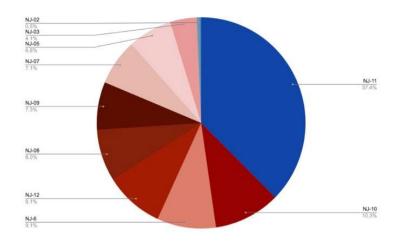
The below chart details the impressions served by congressional district across programmatic inventory.



As detailed below, 92.2% of spend that MiQ could detect on programmatic platforms were served outside of the district.

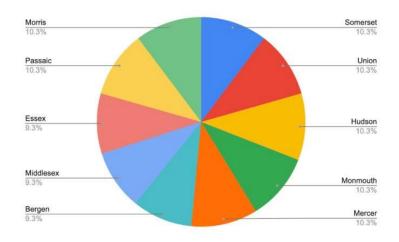


Below you can see this broken down as a percentage of spend as well.



### **Facebook Percent Spent by County:**

While we cannot see the spend by congressional district on Facebook, we are able to see the percentage that is spent in each county. The below chart shows the percentage of Sherrill's Facebook spend that was allocated to each county in NJ.



As detailed below, 70.1% of spend on Facebook was in counties outside of Sherrill's district.

## Exhibit B





Photograph from <a href="https://www.tinyurl.com/232j5461">https://www.tinyurl.com/232j5461</a> with gubernatorial logo included.

----- Forwarded message ------

From: Andrew Noble < Andrew. Noble@hrhcac.com >

Date: Fri, Dec 6, 2024 at 6:04 PM Subject: Re: Holiday Party Kuro

To

Hi .

Following up on our conversation so you have it in writing. We can accommodate the party of 350 people for December 17<sup>th</sup> between Kuro and we will give you Plum which is right next door as well. The minimum for this event would be \$27k. The Mikie Sherril event came out to \$27.1k, so with the extra space i feel like this could be a heck of an event. We would serve the same menu as previously spoken about at \$50 per head

and meeting the rest on consumption which will definitely be doable!

#### **Andrew Noble**

**Group Dining Coordinator** 

609-449-5106

609-515-0540

Andrew.Noble@hrhcac.com

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