performance evaluations, suspensions, debarments, or disqualification decisions.

The rules identify the principal elements of the selection process, including the verification of qualifications, advertising, screening of firms, selection committee procedures and obtaining approvals. They also describe the DPMC’s advertisement process for soliciting firms to become prequalified. The rules set forth the requirements for the selection of a consultant for a relatively larger project (major engagement) and for the selection of a consultant for a relatively smaller project (routine engagement).

The rules establish the “term contract” as a mechanism that may be used by the DPMC for specific service categories for a specific time period and describe the “term contract” selection procedures and requirements. They set forth the “agency consultant” program by which agencies may utilize the services of consultants directly on relatively minor projects in accordance with the requirements of the agency consultant policy and statutory maximums.

As the Division has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)(5).

Social Impact

The rules proposed for readoption create a framework for the effective regulation of procurement of construction work and professional services on public works construction projects. The process by which DPMC solicits competitive proposals has ensured, and will continue to ensure, fairness to firms seeking to submit competitive bids and proposals for work and services, while at the same time protecting the public interest by limiting the award of contracts to firms possessing the requisite experience, financial and physical resources, and integrity.

Economic Impact

The rules proposed for readoption will continue to enhance the competitiveness and cost effectiveness of the State’s capital design and construction program, thus resulting in a positive economic impact. In providing contracting services for State construction projects, the DPMC has a significant effect on the State economy. Federal government and industry studies indicate approximately 30 private sector jobs are created for each $1 million in construction contracts executed. Other industry sources estimate that for each $1.00 spent on new construction, between $2.00 and $3.00 is generated in economic activity in industry and services. Thus, projected construction awards of the DPMC, the New Jersey Building Authority (NJBA), the New Jersey Schools Development Authority (Njsda), and local school boards, which make use of the DPMC lists of classified and prequalified firms, will generate thousands of private sector jobs. These factors demonstrate the positive impact of New Jersey’s public construction program on the State’s economy. Such benefits are necessarily enhanced by a classification and prequalification system that seeks to ensure that only qualified bidders perform the work. Increased competition for State construction projects and schools is also crucial to keeping construction costs as low as possible, resulting in savings to the State, and in turn, the taxpayers of New Jersey.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption are mandated by the provisions of N.J.S.A. 52:18A-191.1 et seq., and are not subject to any Federal requirements or standards.

Jobs Impact

The Division does not anticipate that the rules proposed for readoption will have any impact on the creation or loss of jobs.

Agriculture Industry Impact

The rules proposed for readoption will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

Under the rules proposed for readoption, documents and statements will be required of firms, some of which may be small businesses, as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. These requirements will not impose undue burdens that would decrease the current level of participation of small businesses seeking contracts to render professional services or perform construction work for the State.

The rules proposed for readoption impose reporting, recordkeeping, and compliance requirements on small businesses as that term is defined within the meaning of the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The types of small businesses affected by the rules are professional firms and construction contractors seeking to submit proposals for the award of contracts on State public works projects. Entities wanting to submit proposals are required to:

- Submit DPMC-27 classification forms and supporting documentation (contractors);
- Submit DPMC-48A prequalification forms and supporting documentation (design professionals); and
- Subject their proposals for professional services or work to public scrutiny upon the documents being deemed public information.

Entities whose proposals are accepted by the State must submit required contractual forms and documentation and comply with applicable codes and DPMC procedures.

Firms seeking classification and/or prequalification are required to obtain the services of a certified public accountant or public accountant, see N.J.S.A. 45:2B-29 et seq., and to submit accurate financial information. This requirement is a function of sound business practice, whose ultimate goal is to assess the financial capabilities of a firm and protect the expenditure of State capital funds. These rules should impose no capital costs upon contractors or design consultants beyond those normally incurred in the course of contracting in their respective business areas. N.J.S.A. 52:35-2 imposes application fees of $100.00 every two years. Other fees are limited to professional licensure fees required by the State to practice architecture, engineering, or any other specialized construction services in the State of New Jersey.

Housing Affordability Impact Analysis

The Division does not anticipate that the rules proposed for readoption will have any impact on the average costs associated with housing. The rules govern the State’s process for classifying and prequalifying firms seeking to contract with the State of New Jersey for performance of construction work or rendering of professional design services on State public works projects.

Smart Growth Developmental Impact Analysis

The Division does not anticipate that the rules proposed for readoption will have any impact on housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan. The rules govern the State’s process for classifying and prequalifying firms seeking to contract with the State of New Jersey for performance of construction work or rendering of professional design services on State public works projects.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 17:19.

(a)

DIVISION OF REVENUE AND ENTERPRISE SERVICES
BUSINESS SUPPORT SERVICES

COMMERCIAL RECORDING — PUBLICATION OF BULK ACCESS

PROPOSALS

Proposed Readoption with Amendments: N.J.A.C. 17:34

Authorizing Body: Robert A. Romano, Acting State Treasurer.


Calendar Reference: See Summary below for explanation of exception to calendar requirement.


Submit comments by February 5, 2016, to:
The agency proposal follows:

Summary

Pursuant to Executive Order No. 66 (1978) and N.J.S.A. 52:14B-5.1.c(2), N.J.A.C. 17:34 will expire on June 1, 2016. The rules encompass policies and procedures for the publication of the State of New Jersey’s Commercial Recording Bulk Access Fee Schedules. The Division of Revenue and Enterprise Services has reviewed these rules and has determined them to be necessary and with the proposed amendments, to be reasonable, adequate, efficient, and responsive for the purpose for which they were originally promulgated.

The purpose of the rules proposed for the readoption with amendments is to specify the basic procedures for publishing fee schedules for bulk access to commercial recording records and reports maintained by the State’s filing officer, the State Treasurer, and the designated filing office, the Division of Revenue and Enterprise Services.

Generally, the rules proposed for readoption with amendments are designed to foster greater understanding of this access option. A summary of each subchapter proposed for readoption follows:

Subchapter 1 lists the purpose of the rules and the basic definitions that relate to the bulk access fee schedules. The subchapter is amended to reflect the current name of the Filing Office – the Division of Revenue and Enterprise Services.

Subchapter 2 defines the procedures for publishing the bulk access fee schedules. The subchapter is amended to reflect the current name of the Filing Office – the Division of Revenue and Enterprise Services.

Subchapter 3 defines the procedures for obtaining commercial recording records/reports in bulk. The subchapter is amended to reflect the current name and addresses for the Filing Office – the Division of Revenue and Enterprise Services. The subchapter is also amended to reflect the addition of payment processing – specifically, electronic methods are permitted as a payment option, and to delete the reference to pre-paid accounts that are not used for bulk access services. As has been done historically with credit card payments, the rules specify the user may be charged a separate fee to cover reasonable service fees that are incurred in processing credit card or electronic payments.

Subchapter 4 details the circumstances in which direct cost criterion or self-copy fees may apply, as well as the associated request procedures. The subchapter is amended to reflect the current name of the Filing Office – the Division of Revenue and Enterprise Services.

As the Department has provided a 60-day comment period on this notice of proposal, this notice is exempted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

Access to the corporate, Uniform Commercial Code, and other commercial recording record systems continues to have an important and positive impact on society. Collectively, these systems provide public notice of key commercial transactions such as the formation of legal business entities, filing of commercial liens, and registration of trade names and trademarks. The State provides access to commercial recording records and reports on a for-fee basis. In this connection, the State has the means to provide such records reports in bulk, in various formats including paper, magnetic, and other digital media. Accordingly, as custodian of the State’s commercial recording record systems, the Department of the Treasury publishes bulk access fee schedules. This practice fosters greater understanding and awareness of this access option.

Economic Impact

The rules are designed to foster a greater understanding of how to access commercial bulk registry information in bulk. By allowing for standardized bulk access to filed business entity records, the Division of Revenue and Enterprise Services facilitates the flow of capital and commerce in this State. In terms of the cost impacts on the private sector, the rules proposed for readoption with amendments implement the service fees found in N.J.S.A. 12A:9-523(f), 12A:9-525, 14A:15-3, 15A:15-2, 22A:4-1a, 42A:2A-68, 42:2C-93, 52-7-11, 52:16A-40, and 56:1-1.

Federal Standards Statement

A Federal standards statement is not required because the rules proposed for readoption with amendments relate strictly to the State of New Jersey’s bulk commercial recording record access services and associated fees. The rules are therefore independent from any Federal systems or requirements.

Jobs Impact

The rules proposed for readoption with amendments will not result in the creation or loss of jobs.

Agriculture Industry Impact

The rules proposed for readoption with amendments will not have an impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for readoption with amendments are designed to ensure that clear and consistent policies and procedures are in place for key commercial recording services and program elements. Anyone submitting requests for bulk access to commercial recording records, including small businesses as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., must comply with the policies/procedures set forth in the rules. Fees and administrative costs that will be incurred are discussed in the Economic Impact above. Professional services are not required for compliance with these rules. The Division considers the requirements set forth in the rules to be the minimum necessary for the maintenance of comprehensive, workable, and accessible services in the areas covered. For that reason, and because the requirements imposed are not administratively burdensome, the Division has not provided any exceptions or lesser requirements for small businesses.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments will not result in a change in the average costs associated with housing. The rules have no impact on any aspect of housing because they deal only with bulk access to corporate, Uniform Commercial Code, and other commercial recording record systems.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments will not result in a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey. The rules proposed for readoption with amendments deal only with bulk access to corporate, Uniform Commercial Code, and other commercial recording record systems, and not any aspect of housing production.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 17:34.

Full text of the proposed amendments follows (additions indicated in boldface thus; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

17:34-1.1 Purpose

(a) These rules outline the basic procedures for publishing fee schedules for bulk access to commercial recording records and reports maintained by the State’s filing officer, the State Treasurer, and the designated filing office, the [Business Support Services Bureau,] Division of Revenue and Enterprise Services. The rules also set forth procedures for obtaining records in bulk from the [Business Support Services Bureau] Division of Revenue and Enterprise Services and the specific circumstances under which direct cost alternatives may apply to bulk access requests.

(b) (No change.)
17:34-1.2 Definitions

For the purposes of these procedures, the definitions below apply.

... “Filing office” means the Department of the Treasury, Division of Revenue and Enterprise Services, [Business Support Services Bureau, which hereafter shall be cited as [DOR/BSSB] DORES.]

... SUBCHAPTER 2. PUBLISHING BULK ACCESS FEE SCHEDULES

17:34-2.1 Procedure for publishing bulk access fee schedules

(a) [No change.] (b) [DOR/BSSB] DORES shall publish any fee schedules for bulk access online at the [Division of Revenue’s] DORES’ Internet site (www.state.nj.us/treasury/revenue). [DOR/BSSB] DORES shall also provide paper copies of bulk access fee schedules upon receipt of written requests directed to the [Division of Revenue’s] DORES’ e-mail address (info@revenue.state.nj.us) or sent via regular mail to PO Box 450, Trenton, NJ 08625 08646-0450.

SUBCHAPTER 3. PROCEDURES FOR BULK ACCESS

17:34-3.1 Procedure for obtaining commercial recording records/reports in bulk

(a) Bulk access requests may be delivered to [the] [DOR/BSSB] DORES through any of the means outlined below:

1. Personal delivery, at [the] [DOR/BSSB’s] DORES’ street address. The address is [225] 33 West State Street, Trenton, NJ [08608] 08625, [3rd] 5th Floor;

2. Courier delivery, at the [DOR/BSSB’s] DORES’ street address. The address is [225] 33 West State Street, Trenton, NJ [08608] 08625, [3rd] 5th Floor;

3. Postal service delivery, to the [DOR/BSSB’s] DORES’ mailing address. The address is PO Box 450, Trenton, New Jersey [08625] 08646-0450; or

4. [No change.]

17:34-3.2 Request format and process

(a) Bulk access requests must clearly reference the line item from the applicable [DOR/BSSB] DORES bulk access fee schedule, the type of record/report involved and the selection criteria (for example, filing date range or filing range number), the medium on which the records/reports should be returned to the requester, and a return address. If the bulk request relates to a record/report format not currently listed on an existing bulk fee schedule, the requester must reference the record system involved and the specific type of information required, along with suggested selection criteria and output media designation.

(b) Upon receipt of a bulk access request, [DOR/BSSB] DORES shall determine whether the request meets the criterion for bulk access (500 records/reports or more) and then determine the total cost of the request based on the volume of records/reports associated with the selection criteria and applicable per record/report fee. If the request is for records/reports not listed on an existing bulk fee schedule, [DOR/BSSB] DORES will assess the informational content of the request, determine which existing access fee applies, and then calculate the total cost of the request. The filing officer must concur with the [DOR/BSSB’s] DORES fee determination before work on the request may proceed.

(c) For requests that meet the bulk access criterion and that can be output to the requested medium, [DOR/BSSB] DORES will write back to the requester indicating the total cost and estimated time frame for providing the requested records/reports. The requester may submit, via a method of delivery listed in this subchapter, a written authorization to proceed to [DOR/BSSB] DORES, along with payment of the fee amount by one of the methods listed in this subchapter. Alternately, the requester may submit a modified access request by adjusting the selection criteria. Upon receipt of authorization and payment in full for a bulk request, [DOR/BSSB] DORES will produce the requested records/reports and send them to the requester (to the requester’s specified address), on the specified media.

(d) For requests that do not meet the bulk access criterion or that are otherwise not feasible to process due to technical limitations associated with output media or filing office processing capabilities, [DOR/BSSB] DORES will advise the requester in writing, and specify the reasons that the bulk request cannot be fulfilled. In the same communication, [DOR/BSSB] DORES shall advise the requester of any alternative methods for obtaining the requested records/reports.

(e) [DOR/BSSB] DORES will add new line items to its bulk access fee schedules each time a new bulk request is fulfilled in accordance with the procedures set forth at N.J.A.C. 17:34-2.1.

(f) Bulk access requesters may pay for bulk access services by the following methods:

i. Restrictions on the use of cashier’s checks or certified checks. The [DOR/BSSB] DORES may from time to time disallow the use of specific banks and financial institutions. Restrictions in this area must be for cause and such shall be communicated to the affected drawer and the drawer’s bank or financial institution.

ii. Restrictions on the use of personal checks. [DOR/BSSB] DORES may require a requester to use cashier’s checks or certified checks in place of personal checks. Restrictions in this area must be for cause and such shall be communicated to the affected party.

iii. When a credit card or electronic payment method acceptable to the Filing Office is utilized as a method of payment, the user may be charged a separate fee to cover reasonable service fees that are incurred in processing the credit card or electronic payment.

2. Prepaid account. A requester may open an account for prepayment of fees by submitting an application furnished by the DOR/BSSB. The minimum balance for a prepaid account is $ 500.00. The DOR/BSSB shall issue an account number to be used by a requester who chooses to pay fees in advance. The DOR/BSSB shall deduct fees from the requester’s prepaid account when DOR/BSSB performs a bulk access service. Upon written request to PO Box 455, Trenton, NJ 08625 (ATTN: Depository Accounts), the DOR/BSSB will provide an agreement form for establishing a prepaid account.

3. Credit card: The [DOR/BSSB] DORES accepts credit card payments from VISA, Master Card, Discover, and American Express. Requesters shall provide the [DOR/BSSB] DORES with the card number, the expiration date of the card, the name of the approved card issuer, the name of the person or entity to whom the card is issued, and the billing address for the card. Payment will not be deemed tendered until the issuer or its agent has confirmed to the [DOR/BSSB] DORES that payment will be forthcoming.

4. The process outlined in this subchapter can be instituted on an ongoing basis such that [DOR/BSSB] DORES provides periodic bulk updates to reflect changes (additions and modifications) to the various commercial recording record systems.

SUBCHAPTER 4. PROCEDURES FOR APPLYING DIRECT COST CRITERION OR SELF-COPY FEES FOR BULK ACCESS

17:34-4.1 Circumstances in which direct cost criterion or self-copy fees may apply, and associated request procedures

(a) Through [the] [DOR/BSSB] DORES, the filing officer may grant bulk access for the direct cost of reproduction, including special programming costs, under the following circumstances:

i. Non-profit usage. The direct cost criterion may be applied in cases where a bona-fide nonprofit organization seeks to use commercial recording records/reports on a non-recurring basis, for a purpose directly associated with its organizational mission. [DOR/BSSB] DORES may request any documentation needed to establish the nonprofit status of the requester, including, but not limited to, documentation regarding corporate status, 501(c)(3) status, and compliance with charities registration. The requester must also satisfactorily describe the intended uses for the requested records/reports and certify that the uses relate directly to the organization’s nonprofit purpose.
i. Nonprofits seeking bulk access must follow the procedures set forth at N.J.A.C. 17:34-3 and add a written statement to their requests indicating that they wish to obtain the requested records/reports for a nonrecurring nonprofit purpose. DORES may require the requester to provide additional documentation to establish the requester’s nonprofit credentials and/or to determine nature of the intended use of the requested records/reports.

ii. If the request is granted, DORES may require the requester to complete the bulk access process in accordance with the procedures set forth at N.J.A.C. 17:34-3.2, except that the direct cost of reproduction shall be substituted for the fee amount.

iii. (No change.)

2. Limited informational lists on the Internet. The direct cost criterion may be applied in cases where DORES provides limited informational list services on the Internet as a convenience to the general public and business community. Such list services may be basic abstracts of commercial recording records on file with DORES and may be drawn from secondary information sources such as duplicate computer files established for Internet information access services. The procedures for accessing informational lists shall be set forth on the applicable Internet site.

(b) On-site self-copying. To facilitate the implementation of New Jersey’s revised Uniform Commercial Code bulk copying provisions (N.J.S.A. 12A:9-523(f)), DORES may allow a requester to copy Uniform Commercial Code records at DORES’ work site using his or her own equipment and personnel. Self-copying will only be allowed if such operations pose no risks of disrupting DORES’ routine services or of compromising the security or integrity of the State’s commercial recording record systems. DORES shall, at its sole discretion, determine whether any requested self-copying operation poses an unacceptable risk to service levels or system security/integrity. DORES shall publish bulk self-copying fees in accordance with the procedures set forth at N.J.A.C. 17:34-2.1.

1. Persons requesting on-site self-copying must follow the procedures set forth at N.J.A.C. 17:34-3 and add a written statement to their requests indicating that they wish to perform on-site self-copying. DORES may require the requester to provide additional documentation to determine the nature and scope of the requested self-copying operation.

i. If the request is granted, DORES may require the requester to complete the bulk access process in accordance with the procedures set forth at N.J.A.C. 17:34-3.2.

ii. (No change.)

DIVISION OF REVENUE AND ENTERPRISE SERVICES
Division of Commercial Recording
Expedited Service, Preclearance Service, Trade Mark/Service Mark Program, and Facsimile Filing Service

Proposed Readoption with Amendments: N.J.A.C. 17:35

Authorized By: Robert A. Romano, Acting State Treasurer.
Calendar Reference: See Summary below for explanation of exception to calendar requirement.
Proposal Number: PRN 2015-164.

Submit comments by February 5, 2016, to:
Peter Lowicki
Deputy Director, New Jersey Division of Revenue and Enterprise Services
PO Box 308
33 West State Street, 5th Floor

NEW JERSEY REGISTER, MONDAY, DECEMBER 7, 2015 (CITE 47 N.J.R. 2915)