

Announcement

Amended Rules Developed by the New Jersey Division of Revenue and Enterprise Services Mark a New Era in New Jersey's Records Management Program

In cooperation with the New Jersey Department of State and State Records Committee, the Division of Revenue and Enterprise Services recently implemented changes to Title 15 of the New Jersey Administrative Code. Collectively, these changes mark a new era in public records management in this State.

The amendments facilitate the adoption of electronic records systems, encouraging agencies to leverage automated technology wherever possible. The ultimate goal is to make it easier for agencies to meet the burgeoning service demands of the public in the most effective, efficient and transparent manner possible. In this connection, the amendments removed prescriptive and obsolete regulatory language and thereby encourage the adoption of technological innovations in this State. Also, the amendments facilitate State certification of electronic image systems by converting the current paper-based process to an online service.

The changes will benefit New Jersey government at all levels, and ultimately, serve the interests of our citizens by helping to advance the development of improved records management practices by State, county and local government agencies, and facilitating the adoption of electronic records systems. When public agencies leverage automated technology to improve the processing and storage of records, they build the capacity to provide quicker, more reliable and accurate services to the public, at reduced cost. Concurrently, via the faster and more accurate records retrieval functions that are achievable with digital records systems, public agencies establish the basis for more transparent and accountable government.

Moreover, the amended rules will have indirect, but important economic impacts throughout the State. By encouraging the accelerated adoption of electronic records technologies, they set the stage for streamlined public service and the large-scale consolidation and reengineering of information and records-based service channels. They also free agencies to replace labor-intensive and error-prone paper systems with online technologies. Further, experience shows that streamlined automated systems provide for more accurate, timely and responsive public services, and through this, enhanced voluntary compliance with tax and other revenue-producing activities. These benefits, in turn, help to drive down the overall cost of government and improve the yield, efficacy and fairness of State and local tax systems. The combined effects of cost savings and enhanced voluntary compliance will help government agencies control and ultimately reduce the tax and regulatory burdens on our citizenry.

For more information on the amended rules please email the Division at DORInfo@treas.nj.gov.

Following are summaries of the key changes:

Subchapter 15:3-1.3: The changes to this subchapter clarify that automated electronic records systems can be elements of public agency records-keeping regimes and that agencies should consider such systems for recordation, registry, indexing, processing and public access purposes, while also conforming to standards set forth in Title 15.

These changes are intended to improve the State's approach to records management by establishing an environment that encourages innovative uses of electronic technologies.

Subchapter 15:3-4.3: This is a key change. It updates the requirements for storage and preservation of records in electronic formats, *including long term and permanent records*. Agencies are now no longer required to use hard copy media, including microfilm, to preserve long term and permanent records. Electronic systems that have viable migration paths can be used for such records.

Subchapter 15:3-4.4: These rules provide updated guidance to agencies using non-conforming automated records systems (systems that do not conform to State standards), emphasizing the need to convert the systems based on technology that is compliant with the standards set forth in Title 15.

Subchapter 15:3-4.5: This subchapter contains updated requirements for standard file formats and compression algorithms, with emphasis on formats and algorithms that are actively supported by the information technology industry, and that allow for the interchange of documents with other systems. Examples of such formats include single-page Tagged Image File Format (TIFF) with CCITT Group III and/or IV compression, Portable Network Format (PNG) for grayscale or color images, PDF/A (most especially for long term retention of 10 years or more), and Open Document Architecture/Open Document Interchange Format (ODA/ODIF) for text. The proposed amendments require imaging systems to store at least one unaltered version of the public records they contain, as scanned, except for standard computer-enhancement routines used to improve the legibility of scanned documents.

Subchapter 15:3-4.6: The updated requirements address the use of multi-function devices for scanning purposes and clarify that visual inspection of scanned images for quality control purposes may be accomplished on an image-by-image basis, via sampling or combined approaches, and may also be supported by machine-based quality control processes. Industry standards for image quality control are incorporated by reference, as guidance, where applicable. These standards include Sampling Procedures for Inspection by Attributes of Images in Electronic Image Management (EIM) and Micrographics Systems (ANSI/AIIM TR34-1996) and Identification of Test Images for Document Imaging Applications (ANSI/AIIM TR38-1996), as amended and supplemented.

Subchapter 15:3-4.7: The amended rules cross-reference sections of Title 15 (N.J.A.C. 15:3-5.1 through 3-5.7), which set forth requirements for a new, mandatory registration system designed to address the mandatory review and approval process (see below).

Subchapter N.J.A.C. 15:3-4.8: This is largely an administrative change. It harmonizes the language found in this subchapter with the provisions of N.J.A.C. 15-3-4.6 (a) regarding limitations on the alteration of the as-scanned versions of records.

Subchapter N.J.A.C. 15:3-4.10: These changes update language regarding requirements for handling images stored on non-conforming image system as best evidence. Specifically, the burdensome and unnecessary requirement to mark approved items as best evidence is deleted. The State Records Committee's role in approving records as best evidence and the practice of maintaining, for public inspection, a record of such Committee approvals are both continued. This documentation is deemed sufficient proof as to the acceptability of the records approved as best evidence.

Subchapter N.J.A.C. 15:3-4.11: The changes in this subchapter strengthen provisions relating to disaster recovery and contingency plans. Included are requirements for assessing risks associated with the loss of records stored on systems covered by the plans, as well as requirements for considering options for reconstructing damaged records and costs associated with guarding against records losses.

Subchapter N.J.A.C. 15:3-5: Changes here pertain to a new registration service and annual review for image processing systems. The service replaces the system certification regime. Requirements for the new service are found at N.J.A.C. 15:3-5.1. N.J.A.C. 15:3-5.4 establishes the responsibilities of the records management program with respect to registering image processing systems as compliant with established standards, rules and procedures, and with regard to maintaining an Internet-accessible database of all registered image processing systems. In the same connection, N.J.A.C. 15:3-5.5 sets forth the requirement for public agencies to comply with the registration process outlined at N.J.A.C. 15:3-5.4.

Subchapter N.J.A.C. 15:3-5.6: This is largely an administrative change designed to harmonize language pertaining to the new registration service at N.J.A.C. 15:3-5.4 and N.J.A.C. 15:3-5.5.

Subchapter N.J.A.C. 15:3-5.7: These changes update provisions regarding the maintenance of documentation for image processing systems used for public recordkeeping, including all vendor-supplied manuals, guides and training materials covering all implemented hardware and software technology. Agencies may use materials posted on the Internet by the system vendor(s) to help document their systems.

Subchapter N.J.A.C. 15:3-5.8: The changes in this subchapter streamline the public comment process relative to applications for image processing systems for public records. Agencies may refer to the registration service

described at N.J.A.C. 15:3-5.4 in their public notifications and have interested parties download copies of the same for their review.

Click here: < <http://www.lexisnexis.com/njoal/>> to review the amended rules.