

The Agency

Department of Business Regulation

Agency Operations

The Department of Business Regulation's primary function is to implement state laws mandating the regulation and licensing of designated businesses, professions, occupations and other specified activities. The department is composed of five divisions and Central Management, which includes budget, personnel, and legal. The respective divisions are: Banking, Securities, Commercial Licensing and Regulation, Racing and Athletics, and Insurance. As part of the FY 2007 Budget process, the Department's programs will be consolidated into three divisions: Banking and Securities Regulation; Commercial Licensing and Racing and Athletics; and Insurance Regulation.

The Director of Business Regulation is appointed by the Governor and serves statutorily as the State Banking Commissioner, Commissioner of Insurance, Real Estate Administrator, and State Boxing Commissioner. The Board of Bank Incorporation hears appeals from decisions made by the Banking Division regarding applications for the chartering of financial institutions, new branches and locations, and changes in the by-laws of certain regulated institutions. Other commissions housed within the department include the Real Estate Commission, Real Estate Appraisal Board, Rhode Island Board of Accountancy, and Racing and Athletics Hearing Board. The department issues approximately 125,000 licenses and conducts administrative hearings involving issuances, administrative penalties, suspensions and/or revocations.

Agency Objectives

To assist, educate, and protect the public through the implementation and enforcement of state laws mandating regulation and licensing of designated businesses, professions, occupations, and other specific activities, while recognizing the need to foster a sound business environment.

Statutory History

The department was established by the Rhode Island General Assembly in 1939, and is organized under R.I. General Laws §§ 42-14-1 et seq.

The Budget

Department of Business Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures by Program				
Central Management	1,608,760	1,656,769	1,830,203	1,766,772
Banking Regulation	1,632,399	1,659,020	1,849,064	-
Securities Regulation	758,199	775,277	875,918	-
Banking and Securities Regulation	-	-	-	2,825,683
Commercial Licensing and Regulation	1,166,838	1,234,895	1,255,972	-
Commercial Licensing, Racing & Athletics	-	-	-	1,921,137
Racing and Athletics	546,803	477,445	508,385	-
Insurance Regulation	4,045,388	3,818,608	4,864,073	5,395,848
Board of Accountancy	126,703	132,813	150,065	156,280
Total Expenditures	\$9,885,090	\$9,754,827	\$11,333,680	12,065,720
Expenditures By Object				
Personnel	8,516,007	8,397,899	9,819,710	10,456,909
Other State Operations	1,329,300	1,352,527	1,429,470	1,524,311
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	38,983	4,401	84,500	84,500
Subtotal: Operating Expenditures	\$9,884,290	\$9,754,827	\$11,333,680	\$12,065,720
Capital Improvements	800	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$9,885,090	\$9,754,827	\$11,333,680	\$12,065,720
Expenditures By Funds				
General Revenue	9,330,043	9,278,429	10,539,584	11,260,362
Restricted Receipts	555,047	476,398	794,096	805,358
Total Expenditures	\$9,885,090	\$9,754,827	\$11,333,680	\$12,065,720
FTE Authorization	109.0	109.0	110.0	102.7
Agency Measures				
Minorities as Percentage of Workforce	4.0%	3.0%	5.0%	5.0%
Females as Percentage of Workforce	53.0%	56.0%	55.0%	55.0%
Persons with Disabilities as a Percentage of the Workforce	-	-	-	-

The Program

Department of Business Regulation Central Management

Program Operations

Central Management is composed of the Director's office, budget, personnel, and legal. Specific functions include legal research, drafting and analysis of legislation, issuance of legal opinions related to the department's operations, conducting administrative and rate hearings, and providing legal services to the Director, Associate Directors, and advising the other commissions housed within the department. Central Management compiles, submits and monitors budgets of the respective divisions, approves vouchers and contracts, and provides all personnel and management services.

The Director issues show cause and cease and desist orders; renders decisions relative to the operations of financial institutions and insurance companies; has the authority to deny, suspend, or revoke licenses and approve or disapprove rates; and acts as receiver in case of insolvency of certain regulated entities.

The Director or his/her designee may be a member of various occupational licensing boards and commissions assigned to the department by the legislature in order to assist in the administration and regulation of licensing programs. The Director is also a member of such diverse administrative bodies as the Board of Bank Incorporation and the Rhode Island Housing and Mortgage Finance Corporation.

Central Management is also responsible for monitoring legislation impacting the department and for the annual submission of its own legislative program.

Program Objectives

To administer the functions for the department with regard to the licensing and regulation of designated businesses, occupations and professions through the enforcement of applicable state laws.

Statutory History

R.I.G.L. §42-14-1 establishes the Director as head of the department. R.I. General Law §42-14-2 enumerates the functions of the department regarding the regulation of assigned occupations, businesses, and professions.

The Budget

Department of Business Regulation Central Management

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	1,346,404	1,342,884	1,388,476	1,220,303
Other State Operations	261,556	313,885	411,727	546,469
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-
Subtotal: Operating Expenditures	\$1,607,960	\$1,656,769	\$1,800,203	\$1,766,772
Capital Improvements	800	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$1,608,760	\$1,656,769	\$1,800,203	\$1,766,772
 Expenditures By Funds				
General Revenue	1,608,760	1,656,769	1,830,203	1,766,772
Total Expenditures	\$1,608,760	\$1,656,769	\$1,830,203	\$1,766,772
 Program Measures	NA	NA	NA	NA

The Program

Department of Business Regulation Banking Regulation

Program Operations

Banking Regulation provides regulatory oversight of state-chartered financial institutions, credit unions, Rhode Island bank holding companies, and licensees through financial examinations and reviews to determine compliance with state banking laws, financial solvency, and safety and soundness operations.

Banking Regulation is responsible for regulating, monitoring and examining 34 state-chartered financial institutions, Rhode Island bank holding companies, and credit unions and 1,840 licensed locations as of July, 2005. The division accomplishes its program objectives through the process of licensing, chartering and examining financial institutions, Rhode Island bank holding companies, credit unions, and licensees. The purposes of examinations are to determine financial solvency and compliance with Rhode Island banking laws and regulations for the protection of depositors and the public interest. The division reviews and conducts hearings on applications filed by financial institutions, Rhode Island bank holding companies and credit unions for charters, branches and other pertinent financial institution, Rhode Island bank holding company and credit union business. Licensees include lenders, loan brokers, small loan lenders, foreign exchange transaction businesses, sale of check and electronic money transfers, check cashers, and debt management companies (formerly debt pooling companies). Additionally, Banking Regulation enforces statutes relating to maximum interest charges and state usury laws and conducts administrative hearings when required. Additional responsibilities include investigating and resolving several hundred consumer complaints and inquiries each year.

Program Objectives

To charter, license and ensure compliance with statutory requirements for the safe and sound operation of regulated financial institutions, Rhode Island bank holding companies, credit unions and licensees in order to protect the public interest.

Statutory History

R.I.G.L. 19-1 to 19-14.7 charge the division with the regulation of financial institutions, Rhode Island bank holding companies, credit unions, as well as lenders, loan brokers, small loan lenders, foreign exchange transaction businesses, sellers of checks, electronic money transmitters, check cashers, and debt management company licensees. R.I.G.L. 6-26 to 6-27 relate to interest, usury and truth in lending. R.I.G.L. 34-23 to 34-27 relate to mortgages. R.I.G.L. 19-14.3, 19-14.4, 19-14.6 and 19-14.7 relate to the sale of checks, electronic money transfers, check cashing, and foreign exchange transactions and debt management companies.

The Budget

Department of Business Regulation Banking Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	1,455,518	1,435,438	1,677,348	-
Other State Operations	176,881	223,582	171,716	-
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-
Subtotal: Operating Expenditures	\$1,632,399	\$1,659,020	\$1,849,064	-
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$1,632,399	\$1,659,020	\$1,849,064	-
 Expenditures By Funds				
General Revenue	1,632,399	1,659,020	1,849,064	-
Total Expenditures	\$1,632,399	\$1,659,020	\$1,849,064	-
 Program Measures				
Percentage of State-Chartered Institutions Examined in Substantial Compliance with the Banking Code				
	97.1%	97.1%	97.5%	-
Percentage of Other Lending Licensees Examined in Substantial Compliance with the Banking Code				
	84.5%	88.2%	85.0%	-

The Program

Department of Business Regulation Securities Regulation

Program Operations

Securities Regulation is responsible for the registration of certain securities, the licensing and regulation of broker dealers, sales representatives, certain investment advisers, and certain investment adviser representatives.

The division is also responsible for enforcing compliance with the State's Franchise Investment Act, the registration of charitable organizations and fundraising groups, and the State's Real Estate Time-Share Act. In FY 2005, the division processed approximately 66,700 licenses and 9,500 registrations, conducted 18 on-site examinations of broker-dealers and investment advisers, 4 on-site investigations of unlicensed entities, 58 complaints, and instituted 26 enforcement actions, pursuant to applicable state and federal laws and regulations.

Program Objectives

To enforce compliance with the applicable provisions of state laws and regulations related to the securities industry, franchises, charities, fund-raisers, and time-shares.

Statutory History

The division is charged with the administration and enforcement of the Rhode Island Uniform Securities Act ("RIUSA"), (R.I.G.L. 7-11); the Franchise Investment Act, (R.I.G.L. 19-28.1); the Charitable Solicitation Act, (R.I.G.L. 5-53.1); and the Real Estate Time-Share Act, (R.I.G.L. 34-41).

The Budget

Department of Business Regulation Securities Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	638,488	663,845	757,579	-
Other State Operations	119,711	111,432	118,339	-
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-
Subtotal: Operating Expenditures	\$758,199	\$775,277	\$875,918	-
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$758,199	\$775,277	\$875,918	-
 Expenditures By Funds				
General Revenue	758,199	775,277	875,918	-
Total Expenditures	\$758,199	\$775,277	\$875,918	-
 Program Measures				
Percentage of Investment Advisory Firms with a Place of Business in RI Examined in Substantial Compliance with the Securities Act	100.0%	100.0%	100.0%	-

The Program

Department of Business Regulation Banking and Securities Regulation

Program Operations

Banking and Securities Regulation provides regulatory oversight of state-chartered financial institutions, credit unions, Rhode Island bank holding companies and licensees through financial examinations and reviews to determine compliance with state banking laws, financial solvency, and safety and soundness operations. The division is also responsible for the registration of certain securities, the licensing and regulation of broker-dealers, sales representatives, certain investment advisers, and certain investment adviser representatives and also for enforcing compliance with the state's Franchise Investment Act, the registration of charitable organizations and fund-raising groups, and the state's Real Estate Time-Share Act.

With respect to Banking, the division is responsible for regulating, monitoring and examining 34 state-chartered financial institutions, Rhode Island bank holding companies, credit unions and 1,840 licensee locations as of July 2005. The division also processed approximately 66,700 securities licenses and 9,500 securities registrations.

Program Objectives

To charter, license and ensure compliance with statutory requirements for the safe and sound operation of regulated financial institutions, Rhode Island bank holding companies, credit unions and licensees in order to protect the public interest.

To enforce compliance with the applicable provisions of state laws and regulations related to the securities industry, franchises, charities, fund-raisers, and time-shares.

Statutory History

RI General Laws Chapters §§19-1 to 19-14.7 charge the division with the regulation of financial institutions, Rhode Island bank holding companies, credit unions, as well as lenders, loan brokers, small loan lenders, foreign exchange transaction businesses, sellers of checks, electronic money transmitters, check cashers, and debt management company licensees. RI General Laws §§ 6-26 to 6-27 relate to Interest, Usury and Truth in Lending. RI General Laws §§34-23 to 34-27 relate to Mortgages. RI General Laws 19-14.3, 19-14.4, 19-14.6 and 19-14.7 relate to the Sale of Checks and Electronic Money Transfers, Check Cashing, and Foreign Exchange Transactions and Debt Management Companies. The division is charged with the administration and enforcement of the Rhode Island Uniform Securities Act ("RIUSA"), Rhode Island General Laws §7-11; the Franchise Investment Act, Rhode Island General Laws §19-28.1; the Charitable Solicitation Act, Rhode Island General Laws §5-53.1; and the Real Estate Time-Share Act, Rhode Island General Laws §34-41.

The Budget

Department of Business Regulation Banking and Securities Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	-	-	-	2,540,230
Other State Operations	-	-	-	285,453
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-
Subtotal: Operating Expenditures	-	-	-	\$2,825,683
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	-	-	-	\$2,825,683
Expenditures By Funds				
General Revenue	-	-	-	2,825,683
Total Expenditures	-	-	-	\$2,825,683
Program Measures				
Percentage of State-Chartered Institutions Examined in Substantial Compliance with the Banking Code	-	-	-	97.5%
Percentage of Other Lending Licensees Examined in Substantial Compliance with the Banking Code	-	-	-	88.2%
Percentage of Investment Advisory Firms with a Place of Business in RI Examined in Substantial Compliance with the Securities Act	-	-	-	100.0%

The Program

Department of Business Regulation Commercial Licensing and Regulation

Program Operations

Commercial Licensing and Regulation is responsible for the licensing and regulation of real estate agents, brokers and appraisers, auto body and salvage re-builder shops, auto wrecking and salvage yards, travel agencies and travel agents, upholsterers, alarm system installers, auctioneers, liquor wholesalers, breweries, wineries, salespersons (representing wholesalers) and agents (representing manufacturers and distillers), Class G (boat/airline/railroads) license holders, line-cleaners, and mobile and manufactured homes and parks. The enforcement of unit pricing, motor fuel advertising and health club pre-opening laws are also activities of this program. Administrative hearings are held to consider revocations and suspensions of licenses, including appeals from the decisions of local licensing boards that issue retail liquor licenses. The division also provides administrative services for various boards and commissions involving licensing programs. They include the Real Estate Commission, Real Estate Appraisers Board and Travel Commission.

The division is responsible for the regulation of licenses to insure compliance with statutory provisions of law and to promote the continued welfare of the general public. This includes recommending approval, denial, suspension or revocation of licenses, or the imposition of sanctions or penalties and conducting of related administrative hearings.

The program provides the general public with application and licensing information for various occupations, businesses and professions. It investigates complaints received from the general public in all areas of licensing. Hearings are also held when required in order to resolve complaints.

Program Objective

To increase the efficiency and effectiveness of occupational licensing programs and inspections in order to safeguard the health, safety, and welfare of the general public.

Statutory History

R.I.G.L. 5-58 relates to auctioneers; R.I.G.L. 5-20.5 relates to real estate; R.I.G.L. 5-20.7 relates to real estate appraisers; R.I.G.L. 5-38 relates to automobile body repair shops; R.I.G.L. 5-50 relates to pre-opening of health club sales campaigns; R.I.G.L. 5-52 relates to travel agencies; R.I.G.L. 5-57 relates to burglar and hold-up alarm businesses; R.I.G.L. 6-31 relates to unit pricing; R.I.G.L. 23-26 relates to bedding and upholstered furniture; R.I.G.L. 31-44 & 31-44.1 relate to mobile and manufactured homes; R.I.G.L. 42-14.2 relates to auto wrecking and salvage yards; R.I.G.L. 31-37 relates to advertising and sale of motor fuel at retail, R.I.G.L. 31-46-7 relates to auto body salvage re-builders' licenses; and R.I.G.L. 3-1 relates to alcoholic beverages.

The Budget

Department of Business Regulation Commercial Licensing and Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	930,576	1,011,297	967,496	-
Other State Operations	199,966	221,832	206,676	-
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	36,296	1,766	81,800	-
Subtotal: Operating Expenditures	\$1,166,838	\$1,234,895	\$1,255,972	-
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$1,166,838	\$1,234,895	\$1,255,972	-
Expenditures By Funds				
General Revenue	1,122,488	1,218,595	1,155,972	-
Restricted Receipts	44,350	16,300	100,000	-
Total Expenditures	\$1,166,838	\$1,234,895	\$1,255,972	-
Program Measures				
Percentage of Real Estate Licensees in Substantial Compliance with Real Estate Code	92.6%	98.0%	95.0%	-
Percentage of Auto Body Shops, Auto Wrecking Yards, and Auto Salvage Re-builders in Substantial Compliance with the Code	84.2%	91.9%	90.0%	-
Percentage of Liquor Licensees in Substantial Compliance with the Code	71.3%	88.3%	76.0%	-

The Program

Department of Business Regulation Commercial Licensing, Racing and Athletics

Program Operations

Commercial Licensing and Racing and Athletics is responsible for the licensing and regulation of real estate agents, brokers and appraisers, auto body and salvage re-builder shops, auto wrecking and salvage yards, glass installation, travel agencies and travel agents, upholsterers, alarm system installers, auctioneers, liquor wholesalers, breweries, wineries, salespersons (representing wholesalers) and agents (representing manufacturers and distillers), Class G (boat/airline/railroad) license holders, line-cleaners, and mobile and manufactured homes and parks and the enforcement of unit pricing, motor fuel advertising and health club pre-opening laws. The division is also responsible for supervising the enforcement of laws related to licensing and regulation of racing and athletics activities, including dog racing, boxing, wrestling, kickboxing and simulcast wagering and the accounting and collection of racing taxes and fees as specified by state law.

The program provides the general public with application and licensing information for various occupations, businesses and professions. It investigates complaints received from the general public in all areas of licensing. The division also oversees simulcast wagering operations at Lincoln Park and Newport Grand facilities and conducts and participates in hearings, collects tax revenue and issues occupational licenses.

Program Objective

To increase the efficiency and effectiveness of occupational licensing programs and inspections in order to safeguard the health, safety, and welfare of the general public.

To enforce, adjust, amend, and interpret all rules and regulations governing pari-mutuel wagering sports and all professional boxing, wrestling and kickboxing events in the state.

Statutory History

Rhode Island General Laws §5-58 relates to auctioneers; Rhode Island General Laws §5-20.5 relates to real estate; Rhode Island General Laws §5-20.7 relates to real estate appraisers; Rhode Island General Laws §5-38 relates to automobile body repair shops; Rhode Island General Laws §5-50 relates to pre-opening of health club sales campaigns; Rhode Island General Laws §5-52 relates to travel agencies; Rhode Island General Laws §5-57 relates to burglar and hold-up alarm businesses; Rhode Island General Laws §6-31 relates to unit pricing; Rhode Island General Laws §§23-26 relate to bedding and upholstered furniture; Rhode Island General Laws §§31-44 & §31-44.1 relate to mobile and manufactured homes; Rhode Island General Laws §42-14.2 relates to auto wrecking and salvage yards; Rhode Island General Laws §31-37 relates to advertising and sale of motor fuel at retail, Rhode Island General Laws §31-46-7 relates to auto body salvage re-builders' licenses; and Rhode Island General Laws §3-1 relates to alcoholic beverages. Rhode Island General Laws §41-1 established the Commission on Horse Racing and Athletics in 1956. In 1987, the general laws were amended abolishing the commission and creating The Division of Racing and Athletics within the Department of Business Regulation.

The Budget

Department of Business Regulation Commercial Licensing, Racing & Athletics

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	-	-	-	1,546,539
Other State Operations	-	-	-	291,898
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	82,700
Subtotal: Operating Expenditures	-	-	-	\$1,921,137
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	-	-	-	\$1,921,137
Expenditures By Funds				
General Revenue	-	-	-	1,821,137
Restricted Receipts	-	-	-	100,000
Total Expenditures	-	-	-	\$1,921,137
Program Measures				
Percentage of Real Estate Licensees in Substantial Compliance with Real Estate Code	-	-	-	95.0%
Percentage of Auto Body Shops, Auto Wrecking Yards, and Auto Salvage Re-builders in Substantial Compliance with the Code	-	-	-	90.0%
Percentage of Liquor Licensees in Substantial Compliance with the Code	-	-	-	80.0%
Percentage of Tested Greyhounds Testing Negative for Chemical Substances	-	-	-	99.9%

The Program

Department of Business Regulation Racing and Athletics

Program Operations

The Racing and Athletics Division is responsible for supervising the enforcement of laws related to licensing and regulation of racing and athletics activities, including dog racing, boxing, wrestling, kickboxing and simulcast wagering. It is also responsible for the accounting and collection of racing taxes and fees as specified by state law.

The division promulgates rules and regulations governing pari-mutuel wagering, boxing, wrestling and kickboxing; issues specified operating dates to licensees; monitors all wagering; monitors commissions for the state, licensees, and cities and towns; handles licensing, and finger printing and photo badging of all personnel and licensees; ensures that security is furnished by licensees of pari-mutuel facilities, boxing, wrestling and kickboxing events; and provides aid and assistance to the public, as requested, including forms, printing, photocopying, and rules and regulations.

The division also oversees simulcast wagering operations at Lincoln Park and Newport Grand facilities and conducts and participates in hearings, collects tax revenue and issues occupational licenses.

Program Objectives

To enforce, adjust, amend, and interpret all rules and regulations governing pari-mutuel wagering sports and all professional boxing, wrestling and kickboxing events in the State.

Statutory History

R.I.G.L. 41-1 established the Commission on Horse Racing and Athletics in 1956. In 1987, the general laws were amended abolishing the commission and creating the Division of Racing and Athletics within the Department of Business Regulation. Jai Alai was sunset by state law in 2003.

The Budget

Department of Business Regulation Racing and Athletics

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	464,440	384,789	417,763	-
Other State Operations	81,362	91,787	89,722	-
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	1,001	869	900	-
Subtotal: Operating Expenditures	\$546,803	\$477,445	\$508,385	-
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$546,803	\$477,445	\$508,385	-
 Expenditures By Funds				
General Revenue	546,803	477,445	508,385	-
Total Expenditures	\$546,803	\$477,445	\$508,385	-
 Program Measures				
Percentage of Tested Greyhounds Testing Negative for Chemical Substances	100.0%	99.8%	99.9%	-

The Program

Department of Business Regulation Insurance Regulation

Program Operations

The Insurance Division is responsible for conducting financial examinations of domestic insurance companies to ensure financial solvency and market conduct examinations of domestic or foreign insurance companies to ensure compliance with the insurance statutes and regulations. The program performs several licensing functions including, but not limited to, the licensing of companies, producers, adjusters and appraisers. The program also reviews rate and form filings for the Life, Accident and Health, and Property and Casualty lines of business for compliance with state statutes and regulations, and addresses consumer complaints for these lines of business.

The 2004 General Assembly established The Office of the Health Insurance Commissioner (OHIC) within the Department of Business Regulation. OHIC staff is engaged in policy and legislative development, rate hearing administration, regulatory development and promulgation, consumer affairs and provider affairs. It is also responsible for activities performed by the DBR staff related to the regulation of Health Insurers and Hospital/Medical Service Corporations. These include but are not limited to company licensure, form and rate filing for regulatory compliance, and financial and market conduct examinations.

Program Objectives

To monitor effectively the financial condition and market conduct of insurance companies licensed to do business in the State of Rhode Island.

To monitor activities of all licensees such as producers, adjusters and appraisers.

To ensure consumer access to an equitable insurance market and respond to consumer inquiries and complaints.

To maintain accreditation by the National Association of Insurance Commissioners.

To guard the solvency of health insurers; protect the interests of consumers; encourage fair treatment of health care providers; and to encourage policies and developments that improve the quality and efficiency of health care service delivery and outcomes.

Statutory History

All chapters of Rhode Island General Laws §§27-1,42-14, and 28-29 through 28-38, and all Insurance Division regulations.

The Budget

Department of Business Regulation Insurance Regulation

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	3,563,385	3,435,570	4,474,690	5,006,465
Other State Operations	480,317	381,272	387,583	387,583
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	1,686	1,766	1,800	1,800
Subtotal: Operating Expenditures	\$4,045,388	\$3,818,608	\$4,864,073	\$5,395,848
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$4,045,388	\$3,818,608	\$4,864,073	\$5,395,848
Expenditures By Funds				
General Revenue	3,534,691	3,358,510	4,169,977	4,690,490
Restricted Receipts	510,697	460,098	694,096	705,358
Total Expenditures	\$4,045,388	\$3,818,608	\$4,864,073	\$5,395,848
Program Measures				
Percentage of Domestic Insurance Companies in Substantial Compliance with the Insurance Code (Market Conduct Examinations)	100.0%	100.0%	100.0%	100.0%

The Program

Department of Business Regulation Board of Accountancy

Program Operations

The Board of Accountancy is an autonomous board that is responsible for the administration of the licensing of certified public accountants, partnerships, corporations, and sole proprietorships. It processes applications and fees, and issues license certificates and annual permits to regulated business, occupations and professions.

The board is responsible for governing the conduct of assigned licensees in order to comply with statutory provisions of the law and to promote the continued welfare of the general public. This includes recommending approval, denial, suspension or revocation of licenses or the imposition of such sanctions or penalties allowed by law.

Hearings are held when required in order to resolve complaints and to act upon the denial, suspension or revocation of licenses. The board investigates complaints from the general public in all areas of licensing addressed above.

Board personnel also provide the general public with application and licensing information for various occupations, businesses and professions, and provide copies of licensing laws and regulations upon request.

Program Objectives

The board intends to continue to intensify its analysis of continuing education records, as well as firm compliance with peer reviews, to efficiently process license renewals and responses, and to commence and resolve disciplinary actions efficiently and promptly.

Statutory History

Rhode Island General Laws §§5-3.1 et seq. (1956) relate to the Board of Accountancy.

The Budget

Department of Business Regulation Board of Accountancy

	FY 2004 Actual	FY 2005 Actual	FY 2006 Revised	FY 2007 Recommended
Expenditures By Object				
Personnel	117,196	124,076	136,358	143,372
Other State Operations	9,507	8,737	13,707	12,908
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-
Subtotal: Operating Expenditures	\$126,703	\$132,813	\$150,065	\$156,280
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
Total Expenditures	\$126,703	\$132,813	\$150,065	\$156,280
 Expenditures By Funds				
General Revenue	126,703	132,813	150,065	156,280
Total Expenditures	\$126,703	\$132,813	\$150,065	\$156,280
 Program Measures				
Percentage of CPA's and PA's who meet Continuing Professional Education Requirements in Accordance with R.I. General Law	98.0%	98.0%	98.0%	98.0%