

State of Rhode Island and Providence Plantations

# Budget



## Fiscal Year 2013

Volume 1 – General Government, Quasi-Public  
Agencies and Component Units

Lincoln D. Chafee, Governor

# Agency

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## Department Of Business Regulation

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### Agency Mission

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.

### Agency Description

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, regulatory standards, compliance and enforcement. The respective divisions are: Banking, Securities, Commercial Licensing, Racing and Athletics, Design Professionals and Insurance.

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, Building Contractors' Registration Board, Board of Design Professionals, Racing and Athletics Hearing Board, and Office of the Health Insurance Commissioner. The department issues approximately 125,000 licenses and conducts administrative hearings involving issuances, administrative penalties, suspensions and/or revocations.

### Statutory History

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

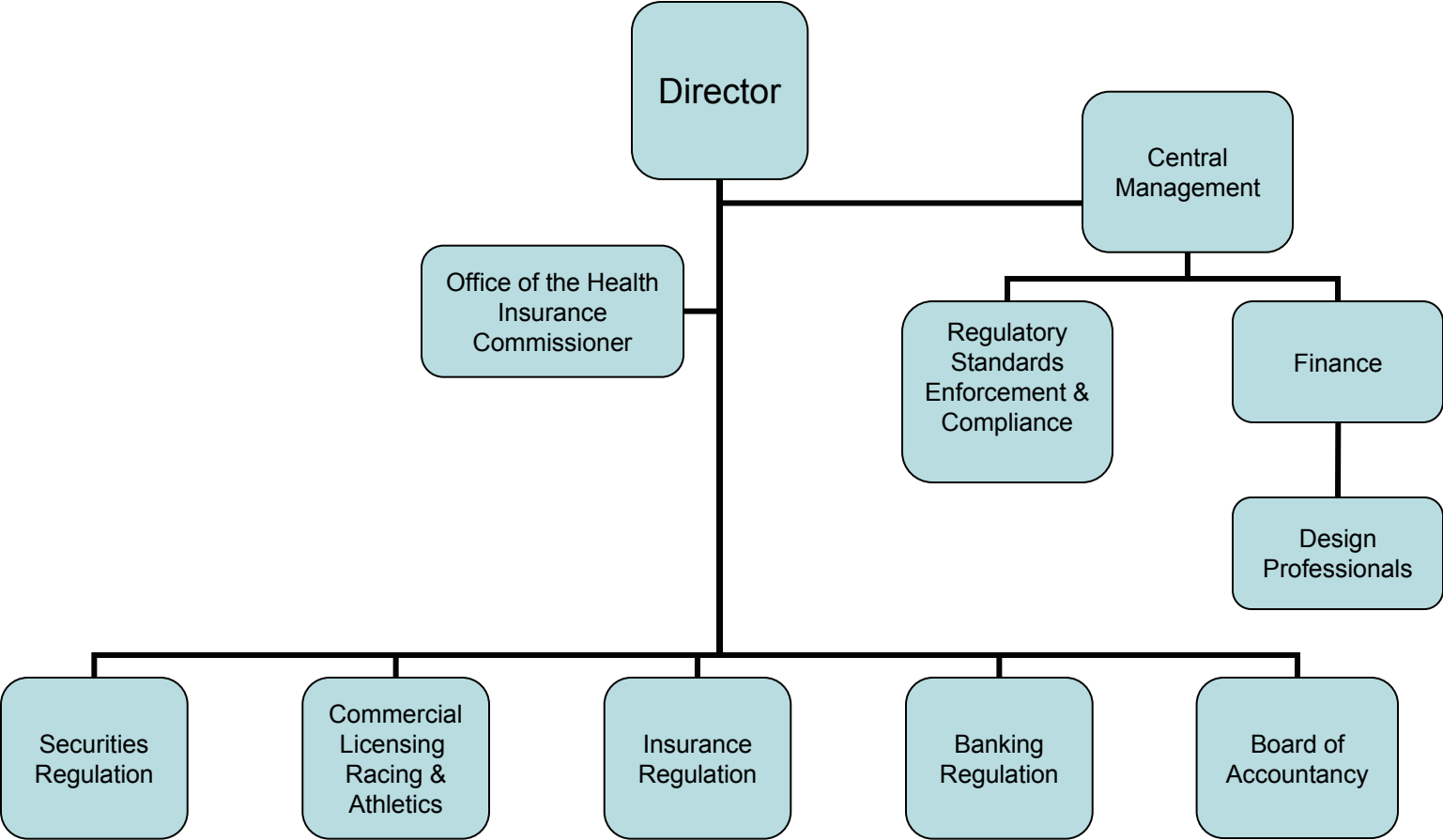
# Budget

## Department Of Business Regulation

	FY 2010 Audited	FY 2011 Audited	FY 2012 Enacted	FY 2012 Revised	FY 2013 Recommend
<b>Expenditures By Program</b>					
Central Management	1,194,476	1,011,248	1,162,041	1,094,956	1,161,605
Banking Regulation	1,358,343	1,289,576	1,597,238	1,596,137	1,862,766
Securities Regulation	693,323	755,607	1,066,512	866,012	1,083,375
Insurance Regulation	4,748,034	5,397,541	5,321,002	5,267,501	5,366,861
Board of Accountancy	148,716	150,884	170,668	140,672	82,483
Commercial Licensing, Racing & Athletics	876,460	948,592	1,229,648	1,018,140	1,234,148
Boards for Design Professionals	294,086	307,887	247,360	324,337	249,799
Office of Health Insurance Commissioner	-	-	7,212,629	7,245,886	3,067,916
<b>Total Expenditures</b>	<b>\$9,313,438</b>	<b>\$9,861,335</b>	<b>\$18,007,098</b>	<b>\$17,553,641</b>	<b>\$14,108,953</b>
<b>Expenditures By Object</b>					
Personnel	8,740,186	9,478,461	15,511,047	15,558,991	12,972,543
Operating Supplies and Expenses	348,033	350,771	1,096,957	1,095,741	761,237
Assistance and Grants	201,458	1,370	1,379,356	874,671	344,890
<b>Subtotal: Operating Expenditures</b>	<b>9,289,677</b>	<b>9,830,602</b>	<b>17,987,360</b>	<b>17,529,403</b>	<b>14,078,670</b>
Capital Purchases and Equipment	23,761	30,733	19,738	24,238	30,283
<b>Total Expenditures</b>	<b>\$9,313,438</b>	<b>\$9,861,335</b>	<b>\$18,007,098</b>	<b>\$17,553,641</b>	<b>\$14,108,953</b>
<b>Expenditures By Funds</b>					
General Revenue	8,078,396	8,128,770	9,436,378	8,832,882	9,612,048
Federal Funds	-	465,176	6,803,273	6,813,608	2,514,487
Restricted Receipts	1,235,042	1,267,389	1,767,447	1,907,151	1,965,873
Operating Transfers from Other Funds	-	-	-	-	16,545
<b>Total Expenditures</b>	<b>\$9,313,438</b>	<b>\$9,861,335</b>	<b>\$18,007,098</b>	<b>\$17,553,641</b>	<b>\$14,108,953</b>
<b>FTE Authorization</b>	<b>85.5</b>	<b>93.0</b>	<b>96.0</b>	<b>96.0</b>	<b>94.0</b>
<b>Agency Measures</b>					
Minorities as a Percentage of the Workforce	4.0%	4.0%	4.0%	4.0%	4.0%
Females as a Percentage of the Workforce	54.0%	59.0%	59.0%	59.0%	59.0%
Persons with Disabilities as a Percentage of the Workforce	-	-	-	-	-

# The Agency

## Department of Business Regulation



# Personnel

## Department Of Business Regulation Agency Summary

	FY 2012		FY 2013	
	FTE	Cost	FTE	Cost
<b>Distribution by Category</b>				
Classified	82.0	5,608,114	80.0	5,560,633
Unclassified	14.0	1,188,995	14.0	1,214,924
Cost Allocation from Other Programs	-	49,809	-	-
Cost Allocation to other programs	-	(49,809)	-	-
Turnover	-	(665,918)	-	(274,130)
<b>Total Salaries</b>	<b>96.0</b>	<b>\$6,131,191</b>	<b>94.0</b>	<b>\$6,501,427</b>
<b>Benefits</b>				
Defined Contribution Plan	-	-	-	64,595
FICA	-	459,824	-	489,935
Medical	-	927,217	-	1,146,670
Payroll Accrual	-	-	-	40,016
Retiree Health	-	416,767	-	443,125
Retirement	-	1,397,547	-	1,342,775
<b>Total Salaries and Benefits</b>	<b>96.0</b>	<b>\$9,332,546</b>	<b>94.0</b>	<b>\$10,028,543</b>
Cost Per FTE Position		\$97,214		\$106,687
Statewide Benefit Assessment	-	228,441	-	242,230
<b>Payroll Costs</b>	<b>96.0</b>	<b>\$9,560,987</b>	<b>94.0</b>	<b>\$10,270,773</b>
<b>Purchased Services</b>				
Clerical and Temporary Services	-	2,760	-	2,760
Legal Services	-	9,333	-	9,333
Management and Consultant Services	-	5,971,419	-	2,675,185
Other Contract Services	-	4,492	-	4,492
Training and Educational Services	-	10,000	-	10,000
<b>Total Personnel</b>	<b>96.0</b>	<b>\$15,558,991</b>	<b>94.0</b>	<b>\$12,972,543</b>
<b>Distribution by Source of Funds</b>				
General Revenue	84.6	8,492,862	83.6	9,279,280
Federal Funds	7.0	5,592,284	6.0	2,197,477
Restricted Receipts	4.4	1,473,845	4.4	1,495,786

# Personnel

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## Department Of Business Regulation Agency Summary

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	FY 2012		FY 2013	
	FTE	Cost	FTE	Cost
Total All Funds	96.0	\$15,558,991	94.0	\$12,972,543

# The Program

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## Department Of Business Regulation Central Management

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### **Program Mission**

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.

### **Program Description**

Central Management is composed of the Director's office budget, regulatory standards, compliance and enforcement. 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, Deputy 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, 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.

### **Statutory History**

R.I.G.L. §42-14-1 establishes the Director as head of the department. R.I.G.L. §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

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	1,194,476	1,011,248	1,162,041	1,094,956	1,161,605
<b>Total Expenditures</b>	<b>\$1,194,476</b>	<b>\$1,011,248</b>	<b>\$1,162,041</b>	<b>\$1,094,956</b>	<b>\$1,161,605</b>
<b>Expenditures By Object</b>					
Personnel	956,586	981,890	1,117,603	1,058,582	1,108,686
Operating Supplies and Expenses	22,847	25,292	42,401	34,337	34,337
Assistance and Grants	201,458	1,370	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>1,180,891</b>	<b>1,008,552</b>	<b>1,160,004</b>	<b>1,092,919</b>	<b>1,143,023</b>
Capital Purchases and Equipment	13,585	2,696	2,037	2,037	18,582
<b>Total Expenditures</b>	<b>\$1,194,476</b>	<b>\$1,011,248</b>	<b>\$1,162,041</b>	<b>\$1,094,956</b>	<b>\$1,161,605</b>
<b>Expenditures By Funds</b>					
General Revenue	1,194,476	1,011,248	1,162,041	1,094,956	1,145,060
Operating Transfers from Other Funds	-	-	-	-	16,545
<b>Total Expenditures</b>	<b>\$1,194,476</b>	<b>\$1,011,248</b>	<b>\$1,162,041</b>	<b>\$1,094,956</b>	<b>\$1,161,605</b>
<b>Program Measures</b>					
Department Revenues to Cost Ratio	3.62/1	3.24/1	3.50/1	3.50/1	3.15/1
Objective	N/A	N/A		3.00/1	3.00/1
Average Age of Employee Technology	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		50	50
Average Age of Office Technology	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percent of Licenses Issued Online	N/A	80.6%	90.0%	90.0%	TBD
Objective	N/A	N/A		95.0%	99.0%
Percentage of Department Rules and Regulations Reviewed	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		60.0%	60.0%



# Personnel

## Department Of Business Regulation Central Management

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Deputy Director	0144A	1.0	129,116	1.0	129,116
Chief of Legal Services	0139A	1.0	96,760	1.0	96,760
Deputy Chief of Legal Services	0137A	1.0	92,633	1.0	94,538
Administrator, Financial Management	0137A	1.0	86,317	1.0	86,317
Systems Analyst	0124A	1.0	60,403	1.0	60,403
Legal Assistant	0119A	1.0	37,986	1.0	36,878
<b>Subtotal</b>		<b>6.0</b>	<b>\$503,215</b>	<b>6.0</b>	<b>\$504,012</b>
<b>Unclassified</b>					
Director, Dept. of Business Regulation	0945K	1.0	101,598	1.0	101,598
Project Coordinator	0826A	1.0	68,804	1.0	68,804
Executive Secretary	0819A	1.0	48,954	1.0	48,954
<b>Subtotal</b>		<b>3.0</b>	<b>\$219,356</b>	<b>3.0</b>	<b>\$219,356</b>
Turnover		-	(37,983)	-	(18,439)
<b>Subtotal</b>		-	<b>(\$37,983)</b>	-	<b>(\$18,439)</b>
<b>Total Salaries</b>		<b>9.0</b>	<b>\$684,588</b>	<b>9.0</b>	<b>\$704,929</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	7,049
FICA		-	51,297	-	53,163
Medical		-	89,290	-	111,605
Payroll Accrual		-	-	-	4,396
Retiree Health		-	46,963	-	48,358
Retirement		-	157,319	-	149,298
<b>Subtotal</b>		-	<b>\$344,869</b>	-	<b>\$373,869</b>
<b>Total Salaries and Benefits</b>		<b>9.0</b>	<b>\$1,029,457</b>	<b>9.0</b>	<b>\$1,078,798</b>
Cost Per FTE Position			\$114,384		\$119,866
Statewide Benefit Assessment		-	25,673	-	26,436
<b>Subtotal</b>		-	<b>\$25,673</b>	-	<b>\$26,436</b>
<b>Payroll Costs</b>		<b>9.0</b>	<b>\$1,055,130</b>	<b>9.0</b>	<b>\$1,105,234</b>
<b>Purchased Services</b>					
Other Contract Services		-	3,452	-	3,452
<b>Subtotal</b>		-	<b>\$3,452</b>	-	<b>\$3,452</b>
<b>Total Personnel</b>		<b>9.0</b>	<b>\$1,058,582</b>	<b>9.0</b>	<b>\$1,108,686</b>

# Personnel

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## Department Of Business Regulation Central Management

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	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Distribution By Source Of Funds</b>					
General Revenue		9.0	1,058,582	9.0	1,108,686
<b>Total All Funds</b>		<b>9.0</b>	<b>\$1,058,582</b>	<b>9.0</b>	<b>\$1,108,686</b>

# The Program

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## Department Of Business Regulation Banking Regulation

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### **Program Mission**

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.

### **Program Description**

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 fifteen (15) state chartered financial institutions, seven (7) Rhode Island bank holding companies, ten (10) credit unions, seven (7) interstate banks and approximately nine hundred eighteen (918) company licensees (including four hundred ninety (493) registered debt collectors) operating from one thousand six hundred twenty seven (1,627) licensed locations (including nine hundred fifty eight (958) debt collector locations) and one thousand three hundred six (1,306) mortgage loan originators as of July 2011. The Division accomplishes its program objectives through the process of licensing, chartering and examining financial institutions, Rhode Island bank holding companies, credit unions, branches of interstate banks, 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, listed above. Licensees include lenders, loan brokers, small loan lenders, foreign exchange transaction businesses, sellers of checks, electronic money transmitters, check cashers, debt-management companies, and mortgage loan originators. The Division enforces statutes relating to state usury laws and conducts administrative hearings and consumer complaint reviews when required.

### **Statutory History**

R.I.G.L. Chapters §§19-1 to 19-14.10 charge the Division of Banking with the regulation, licensing, or registration of financial institutions, Rhode Island bank holding companies, credit unions and licensees (lenders, loan brokers, small loan lenders, mortgage loan originators, foreign exchange transaction businesses, sellers of checks, electronic money transmitters, check cashers, and debt management companies and debt collectors.) RI General Laws §§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 to 19-14.8 relate to the Sale of Checks, Electronic Money Transfers, Foreign Exchange Transactions, Insurance Premium Finance Agreements and Debt Management Companies. Rhode Island General Laws §19-14.9 relates to the registration of debt collectors. R.I.G.L. §19-14.10 relates to the licensing and supervision of mortgage loan originators.

# The Budget

## Department Of Business Regulation Banking Regulation

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	1,358,343	1,289,576	1,597,238	1,596,137	1,862,766
<b>Total Expenditures</b>	<b>\$1,358,343</b>	<b>\$1,289,576</b>	<b>\$1,597,238</b>	<b>\$1,596,137</b>	<b>\$1,862,766</b>
<b>Expenditures By Object</b>					
Personnel	1,298,821	1,228,784	1,428,521	1,434,985	1,701,614
Operating Supplies and Expenses	49,346	48,055	163,717	156,152	156,152
<b>Subtotal: Operating Expenditures</b>	<b>1,348,167</b>	<b>1,276,839</b>	<b>1,592,238</b>	<b>1,591,137</b>	<b>1,857,766</b>
Capital Purchases and Equipment	10,176	12,737	5,000	5,000	5,000
<b>Total Expenditures</b>	<b>\$1,358,343</b>	<b>\$1,289,576</b>	<b>\$1,597,238</b>	<b>\$1,596,137</b>	<b>\$1,862,766</b>
<b>Expenditures By Funds</b>					
General Revenue	1,327,726	1,259,413	1,472,238	1,471,137	1,737,766
Restricted Receipts	30,617	30,163	125,000	125,000	125,000
<b>Total Expenditures</b>	<b>\$1,358,343</b>	<b>\$1,289,576</b>	<b>\$1,597,238</b>	<b>\$1,596,137</b>	<b>\$1,862,766</b>
<b>Program Measures</b>					
Average Time To Issue Licenses	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Conduct Examinations	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Examinations Considered Current	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Complaint Cases Closed Versus Received	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Resolve Complaints	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Customer Satisfsaction Survey	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Division Revenues to Cost Ratio	1.18/1	1.00/1	0.91/1	0.91/1	0.74/1
Objective	N/A	N/A		0.75/1	0.75/1

# Personnel

## Department Of Business Regulation Banking Regulation

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Supervisor of Examinations	0037A	1.0	93,744	1.0	93,744
State Chief Bank Examiner	0139A	1.0	87,964	1.0	87,964
Assistant Supervisor of Examinations	0035A	4.0	345,481	4.0	348,831
Principal License Examiner - Banking	0031A	2.0	154,514	2.0	157,366
Principal Bank Examiner	0031A	1.0	69,180	1.0	69,180
Senior Bank Examiner	0028A	2.0	126,723	2.0	129,087
Systems Analyst	0024A	1.0	60,278	1.0	60,278
Bank Examiner	0024A	3.0	133,516	3.0	137,771
<b>Subtotal</b>		<b>15.0</b>	<b>\$1,071,400</b>	<b>15.0</b>	<b>\$1,084,221</b>
Turnover		-	(144,405)	-	-
<b>Subtotal</b>		<b>-</b>	<b>(\$144,405)</b>	<b>-</b>	<b>-</b>
<b>Total Salaries</b>		<b>15.0</b>	<b>\$926,995</b>	<b>15.0</b>	<b>\$1,084,221</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	10,842
FICA		-	70,737	-	82,943
Medical		-	124,857	-	170,880
Payroll Accrual		-	-	-	6,705
Retiree Health		-	63,524	-	74,379
Retirement		-	212,790	-	229,627
<b>Subtotal</b>		<b>-</b>	<b>\$471,908</b>	<b>-</b>	<b>\$575,376</b>
<b>Total Salaries and Benefits</b>		<b>15.0</b>	<b>\$1,398,903</b>	<b>15.0</b>	<b>\$1,659,597</b>
Cost Per FTE Position			\$93,260		\$110,640
Statewide Benefit Assessment		-	34,722	-	40,657
<b>Subtotal</b>		<b>-</b>	<b>\$34,722</b>	<b>-</b>	<b>\$40,657</b>
<b>Payroll Costs</b>		<b>15.0</b>	<b>\$1,433,625</b>	<b>15.0</b>	<b>\$1,700,254</b>
<b>Purchased Services</b>					
Clerical and Temporary Services		-	720	-	720
Other Contract Services		-	640	-	640
<b>Subtotal</b>		<b>-</b>	<b>\$1,360</b>	<b>-</b>	<b>\$1,360</b>
<b>Total Personnel</b>		<b>15.0</b>	<b>\$1,434,985</b>	<b>15.0</b>	<b>\$1,701,614</b>

# Personnel

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## Department Of Business Regulation Banking Regulation

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	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Distribution By Source Of Funds</b>					
General Revenue		15.0	1,434,985	15.0	1,701,614
<b>Total All Funds</b>		<b>15.0</b>	<b>\$1,434,985</b>	<b>15.0</b>	<b>\$1,701,614</b>

# The Program

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## Department Of Business Regulation Securities Regulation

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### **Program Mission**

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

### **Program Description**

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 2011 the division processed approximately 92,610 licenses and 11,669 registrations, conducted two (2) on-site examination of broker-dealer, investigated 29 complaints, and instituted 23 enforcement actions, pursuant to applicable state and federal laws and regulations.

### **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

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	693,323	755,607	1,066,512	866,012	1,083,375
<b>Total Expenditures</b>	<b>\$693,323</b>	<b>\$755,607</b>	<b>\$1,066,512</b>	<b>\$866,012</b>	<b>\$1,083,375</b>
<b>Expenditures By Object</b>					
Personnel	676,126	731,375	1,020,161	826,289	1,043,652
Operating Supplies and Expenses	17,197	17,857	46,351	39,723	39,723
<b>Subtotal: Operating Expenditures</b>	<b>693,323</b>	<b>749,232</b>	<b>1,066,512</b>	<b>866,012</b>	<b>1,083,375</b>
Capital Purchases and Equipment	-	6,375	-	-	-
<b>Total Expenditures</b>	<b>\$693,323</b>	<b>\$755,607</b>	<b>\$1,066,512</b>	<b>\$866,012</b>	<b>\$1,083,375</b>
<b>Expenditures By Funds</b>					
General Revenue	688,693	752,088	1,051,512	851,012	1,068,375
Restricted Receipts	4,630	3,519	15,000	15,000	15,000
<b>Total Expenditures</b>	<b>\$693,323</b>	<b>\$755,607</b>	<b>\$1,066,512</b>	<b>\$866,012</b>	<b>\$1,083,375</b>
<b>Program Measures</b>					
Average Time to Issue Licenses	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Conduct Examinations	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Examinations Considered Current	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Complaint Cases Closed Versus Received	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Resolve Complaints	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Customer Satisfaction Survey	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Division Revenues to Cost Ratio	24.34/1	21.43/1	19.58/1	19.58/1	15.24/1
Objective	N/A	N/A		15.00/1	15.00/1



# Personnel

## Department Of Business Regulation Securities Regulation

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Deputy Director, DBR	0144A	1.0	129,687	1.0	129,687
Chief Securities Examiner	0137A	1.0	86,317	1.0	86,317
Principal Securities Examiner	0031A	1.0	72,529	1.0	72,529
Senior Securities Examiner	0028A	1.0	58,059	1.0	60,129
Assistant Administrative Officer	0021A	1.0	53,623	1.0	53,623
Securities Examiner	0024A	3.0	148,050	3.0	150,878
Licensing Aide	0015A	1.0	37,389	2.0	80,387
<b>Subtotal</b>		<b>9.0</b>	<b>\$585,654</b>	<b>10.0</b>	<b>\$633,550</b>
Turnover		-	(66,639)	-	-
<b>Subtotal</b>		-	<b>(\$66,639)</b>	-	-
<b>Total Salaries</b>		<b>9.0</b>	<b>\$519,015</b>	<b>10.0</b>	<b>\$633,550</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	6,336
FICA		-	38,596	-	47,668
Medical		-	94,341	-	150,783
Payroll Accrual		-	-	-	3,916
Retiree Health		-	35,605	-	43,463
Retirement		-	119,270	-	134,179
<b>Subtotal</b>		-	<b>\$287,812</b>	-	<b>\$386,345</b>
<b>Total Salaries and Benefits</b>		<b>9.0</b>	<b>\$806,827</b>	<b>10.0</b>	<b>\$1,019,895</b>
Cost Per FTE Position			\$89,647		\$101,990
Statewide Benefit Assessment		-	19,462	-	23,757
<b>Subtotal</b>		-	<b>\$19,462</b>	-	<b>\$23,757</b>
<b>Payroll Costs</b>		<b>9.0</b>	<b>\$826,289</b>	<b>10.0</b>	<b>\$1,043,652</b>
<b>Total Personnel</b>		<b>9.0</b>	<b>\$826,289</b>	<b>10.0</b>	<b>\$1,043,652</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		9.0	826,289	10.0	1,043,652
<b>Total All Funds</b>		<b>9.0</b>	<b>\$826,289</b>	<b>10.0</b>	<b>\$1,043,652</b>

# The Program

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## Department Of Business Regulation Insurance Regulation

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### **Program Mission**

To monitor effectively the financial condition and market conduct activities 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.

### **Program Description**

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 program monitors and introduces legislation in order to maintain accreditation by the National Association of Insurance Commissioners, which it initially received in June of 1993. The division was re-accredited in December 1998, December 2003, and again in June 2009, each time receiving the maximum accreditation period of five years.

### **Statutory History**

All chapters of R.I.G.L. §§27-1,42-14, and 28-29 through 28-38, and all Insurance Division regulations.

# The Budget

## Department Of Business Regulation Insurance Regulation

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	4,748,034	5,397,541	5,321,002	5,267,501	5,366,861
<b>Total Expenditures</b>	<b>\$4,748,034</b>	<b>\$5,397,541</b>	<b>\$5,321,002</b>	<b>\$5,267,501</b>	<b>\$5,366,861</b>
<b>Expenditures By Object</b>					
Personnel	4,602,965	5,219,071	5,033,304	4,998,309	5,119,014
Operating Supplies and Expenses	145,069	169,545	284,198	265,692	244,347
<b>Subtotal: Operating Expenditures</b>	<b>4,748,034</b>	<b>5,388,616</b>	<b>5,317,502</b>	<b>5,264,001</b>	<b>5,363,361</b>
Capital Purchases and Equipment	-	8,925	3,500	3,500	3,500
<b>Total Expenditures</b>	<b>\$4,748,034</b>	<b>\$5,397,541</b>	<b>\$5,321,002</b>	<b>\$5,267,501</b>	<b>\$5,366,861</b>
<b>Expenditures By Funds</b>					
General Revenue	3,835,168	3,984,789	4,031,865	3,911,582	4,066,525
Federal Funds	-	465,176	148,312	83,659	-
Restricted Receipts	912,866	947,576	1,140,825	1,272,260	1,300,336
<b>Total Expenditures</b>	<b>\$4,748,034</b>	<b>\$5,397,541</b>	<b>\$5,321,002</b>	<b>\$5,267,501</b>	<b>\$5,366,861</b>
<b>Program Measures</b>					
Average Time to Issue Licenses	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Conduct Examinations	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Examinations Considered Current	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Complaint Cases Closed Versus Received	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Resolve Complaints	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Customer Satisfaction Survey	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Division Revenues to Cost Ratio	3.37/1	3.17/1	2.71/1	2.71/1	2.29/1
Objective	N/A	N/A		2.00/1	2.00/1

# Personnel

## Department Of Business Regulation Insurance Regulation

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Deputy Director, DBR	0144A	1.0	134,756	1.0	134,756
Chief Insurance Examiner	0139A	2.0	215,460	2.0	215,460
Chief Property & Casualty Insurance Analyst	0137A	1.0	100,180	1.0	100,180
Deputy Chief of Legal Services	0139A	1.0	94,657	1.0	94,657
Insurance Examiner-In-Charge	0036A	7.0	658,410	7.0	659,900
Principal Licensing Insurance Examiner	0031A	1.0	80,727	1.0	80,725
Senior Insurance Rate Analyst	0031A	4.0	293,094	4.0	296,034
Market Conduct Examiner-in-Charge	0036A	1.0	71,488	1.0	74,098
Principal Insurance Exam - EDP & Auto Sys	0031A	1.0	69,180	1.0	69,180
Senior Insurance Examiner	0028A	4.0	268,330	4.0	272,542
Insurance Rate Analyst (Health)	0028A	1.0	64,413	1.0	64,413
Senior Market Conduct Examiner	0028A	2.0	123,397	2.0	126,334
Administrative Officer	0024A	1.0	60,278	1.0	60,278
Director of Consumer Protection/Education	0135A	1.0	57,521	-	-
Insurance Examiner	0024A	3.0	143,926	3.0	145,340
Clerk Secretary	0016A	1.0	45,270	1.0	45,932
Licensing Aide	0015A	4.0	165,015	4.0	165,446
<b>Subtotal</b>		<b>36.0</b>	<b>\$2,646,102</b>	<b>35.0</b>	<b>\$2,605,275</b>
<b>Unclassified</b>					
Administrative Secretary	0816A	1.0	49,686	1.0	49,686
Accountant	A0819	1.0	47,503	1.0	49,575
<b>Subtotal</b>		<b>2.0</b>	<b>\$97,189</b>	<b>2.0</b>	<b>\$99,261</b>
Cost Allocation to Other Programs		-	(49,809)	-	-
Turnover		-	(181,802)	-	(95,423)
<b>Subtotal</b>		<b>-</b>	<b>(\$231,611)</b>	<b>-</b>	<b>(\$95,423)</b>
<b>Total Salaries</b>		<b>38.0</b>	<b>\$2,511,680</b>	<b>37.0</b>	<b>\$2,609,113</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	26,091
FICA		-	194,363	-	198,483
Medical		-	391,991	-	438,917
Payroll Accrual		-	-	-	16,205
Retiree Health		-	175,567	-	178,983
Retirement		-	588,128	-	552,584
<b>Subtotal</b>		<b>-</b>	<b>\$1,350,049</b>	<b>-</b>	<b>\$1,411,263</b>
<b>Total Salaries and Benefits</b>		<b>38.0</b>	<b>\$3,861,729</b>	<b>37.0</b>	<b>\$4,020,376</b>
Cost Per FTE Position			\$101,624		\$108,659
Statewide Benefit Assessment		-	95,973	-	97,840
<b>Subtotal</b>		<b>-</b>	<b>\$95,973</b>	<b>-</b>	<b>\$97,840</b>
<b>Payroll Costs</b>		<b>38.0</b>	<b>\$3,957,702</b>	<b>37.0</b>	<b>\$4,118,216</b>

# Personnel

## Department Of Business Regulation Insurance Regulation

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Purchased Services</b>					
Clerical and Temporary Services		-	200	-	200
Legal Services		-	2,448	-	2,448
Management and Consultant Services		-	978,150	-	988,150
Training and Educational Services		-	10,000	-	10,000
<b>Subtotal</b>		-	<b>\$990,798</b>	-	<b>\$1,000,798</b>
<b>Total Personnel</b>		<b>38.0</b>	<b>\$4,948,500</b>	<b>37.0</b>	<b>\$5,119,014</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		35.1	3,804,039	35.1	3,958,982
Federal Funds		1.0	-	-	-
Restricted Receipts		1.9	1,144,461	1.9	1,160,032
<b>Total All Funds</b>		<b>38.0</b>	<b>\$4,948,500</b>	<b>37.0</b>	<b>\$5,119,014</b>

# The Program

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## Department Of Business Regulation Board of Accountancy

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### **Program Mission**

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.

### **Program Description**

The Board of Accountancy is an autonomous board that is responsible for the administration of the licensing of certified public accountants, public accountants, partnerships, corporations, and sole proprietorships. It processes applications and fees, and issues initial certificates and 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 oversee the analysis of each CPA or PA application prior to Board review. In addition, Board personnel provide the general public with application and licensing information regarding all certified public accountants and public accountants and update monthly the listing of individual licensees and CPA firms on the Department of Business Regulation website, which facilitates information to the general public.

### **Statutory History**

R.I.G.L. §§5-3.1 et seq. (1956) relate to the Board of Accountancy.

# The Budget

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## Department Of Business Regulation Board of Accountancy

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	<b>2010 Audited</b>	<b>2011 Audited</b>	<b>2012 Enacted</b>	<b>2012 Revised</b>	<b>2013 Recommend</b>
<b>Expenditures By Subprogram</b>					
Operations	148,716	150,884	170,668	140,672	82,483
<b>Total Expenditures</b>	<b>\$148,716</b>	<b>\$150,884</b>	<b>\$170,668</b>	<b>\$140,672</b>	<b>\$82,483</b>
<b>Expenditures By Object</b>					
Personnel	143,216	143,990	159,338	130,903	72,714
Operating Supplies and Expenses	5,500	6,894	11,330	9,769	9,769
<b>Subtotal: Operating Expenditures</b>	<b>148,716</b>	<b>150,884</b>	<b>170,668</b>	<b>140,672</b>	<b>82,483</b>
<b>Total Expenditures</b>	<b>\$148,716</b>	<b>\$150,884</b>	<b>\$170,668</b>	<b>\$140,672</b>	<b>\$82,483</b>
<b>Expenditures By Funds</b>					
General Revenue	148,716	150,884	170,668	140,672	82,483
<b>Total Expenditures</b>	<b>\$148,716</b>	<b>\$150,884</b>	<b>\$170,668</b>	<b>\$140,672</b>	<b>\$82,483</b>

# Personnel

## Department Of Business Regulation Board of Accountancy

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Administrative Officer	0822A	1.0	54,941	-	-
Administrative Aide	0814A	1.0	40,853	1.0	42,105
<b>Subtotal</b>		<b>2.0</b>	<b>\$95,794</b>	<b>1.0</b>	<b>\$42,105</b>
Turnover		-	(19,018)	-	-
<b>Subtotal</b>		<b>-</b>	<b>(\$19,018)</b>	<b>-</b>	<b>-</b>
<b>Total Salaries</b>		<b>2.0</b>	<b>\$76,776</b>	<b>1.0</b>	<b>\$42,105</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	421
FICA		-	5,873	-	3,221
Medical		-	15,580	-	6,438
Payroll Accrual		-	-	-	260
Retiree Health		-	5,267	-	2,888
Retirement		-	17,643	-	8,917
<b>Subtotal</b>		<b>-</b>	<b>\$44,363</b>	<b>-</b>	<b>\$22,145</b>
<b>Total Salaries and Benefits</b>		<b>2.0</b>	<b>\$121,139</b>	<b>1.0</b>	<b>\$64,250</b>
Cost Per FTE Position			\$60,570		\$64,250
Statewide Benefit Assessment		-	2,879	-	1,579
<b>Subtotal</b>		<b>-</b>	<b>\$2,879</b>	<b>-</b>	<b>\$1,579</b>
<b>Payroll Costs</b>		<b>2.0</b>	<b>\$124,018</b>	<b>1.0</b>	<b>\$65,829</b>
<b>Purchased Services</b>					
Legal Services		-	6,885	-	6,885
<b>Subtotal</b>		<b>-</b>	<b>\$6,885</b>	<b>-</b>	<b>\$6,885</b>
<b>Total Personnel</b>		<b>2.0</b>	<b>\$130,903</b>	<b>1.0</b>	<b>\$72,714</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		2.0	130,903	1.0	72,714
<b>Total All Funds</b>		<b>2.0</b>	<b>\$130,903</b>	<b>1.0</b>	<b>\$72,714</b>



# The Program

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## Department Of Business Regulation Commercial Licensing, Racing & Athletics

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### Program Mission

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, kickboxing and mixed martial arts events in the state.

### Program Description

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/railroads) 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 the Twin River and Newport Grand facilities and conducts and participates in hearings, collects tax revenue and issues occupational licenses.

### 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. 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.

\*Travel repealed on 6-6-2008

\*Alarms Regulation transferred to Department of Labor and Training on 7-1-2008.

# The Budget

## Department Of Business Regulation Commercial Licensing, Racing & Athletics

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	876,460	948,592	1,229,648	1,018,140	1,234,148
<b>Total Expenditures</b>	<b>\$876,460</b>	<b>\$948,592</b>	<b>\$1,229,648</b>	<b>\$1,018,140</b>	<b>\$1,234,148</b>
<b>Expenditures By Object</b>					
Personnel	826,909	920,009	1,016,103	816,399	1,008,131
Operating Supplies and Expenses	49,551	28,583	130,344	118,540	142,816
Assistance and Grants	-	-	80,000	80,000	80,000
<b>Subtotal: Operating Expenditures</b>	<b>876,460</b>	<b>948,592</b>	<b>1,226,447</b>	<b>1,014,939</b>	<b>1,230,947</b>
Capital Purchases and Equipment	-	-	3,201	3,201	3,201
<b>Total Expenditures</b>	<b>\$876,460</b>	<b>\$948,592</b>	<b>\$1,229,648</b>	<b>\$1,018,140</b>	<b>\$1,234,148</b>
<b>Expenditures By Funds</b>					
General Revenue	589,531	662,461	753,526	533,749	719,111
Restricted Receipts	286,929	286,131	476,122	484,391	515,037
<b>Total Expenditures</b>	<b>\$876,460</b>	<b>\$948,592</b>	<b>\$1,229,648</b>	<b>\$1,018,140</b>	<b>\$1,234,148</b>
<b>Program Measures</b>					
Average Time to Issue Licenses	N/A	N/A	N/A	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Conduct Inspections	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Examinations Considered Current	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Percentage of Complaint Cases Closed Versus Received	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Resolve Complaints	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Customer Satisfaction Survey	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Division Revenues to Cost Ratio	5.21/1	2.70/1	4.08/1	4.08/1	3.02/1
Objective	N/A	N/A		3.00/1	3.00/1

# Personnel

## Department Of Business Regulation Commercial Licensing, Racing & Athletics

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Administrator - Real Estate	0135A	1.0	87,872	1.0	87,872
Chief Licensing Examiner racing & Athletics	0133A	1.0	67,973	1.0	70,462
Pari-Mutuel Operations Specialist	0326A	1.0	55,001	1.0	55,001
Implementation Aide	0122A	1.0	53,345	1.0	54,323
Chief Public Protection Inspector	0AB32A	1.0	49,739	1.0	63,830
Licensing Control Investigator	0018A	1.0	49,283	1.0	49,283
Licensing Aide	0015A	5.0	187,377	5.0	199,281
	<b>Subtotal</b>	<b>11.0</b>	<b>\$550,590</b>	<b>11.0</b>	<b>\$580,052</b>
<b>Unclassified</b>					
Hourly Employees		-	41,880	-	41,880
	<b>Subtotal</b>	<b>-</b>	<b>\$41,880</b>	<b>-</b>	<b>\$41,880</b>
Turnover		-	(71,300)	-	-
	<b>Subtotal</b>	<b>-</b>	<b>(\$71,300)</b>	<b>-</b>	<b>-</b>
	<b>Total Salaries</b>	<b>11.0</b>	<b>\$521,170</b>	<b>11.0</b>	<b>\$621,932</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	5,801
FICA		-	39,801	-	47,578
Medical		-	92,333	-	142,438
Payroll Accrual		-	-	-	3,571
Retiree Health		-	32,816	-	39,792
Retirement		-	111,301	-	124,228
	<b>Subtotal</b>	<b>-</b>	<b>\$276,251</b>	<b>-</b>	<b>\$363,408</b>
	<b>Total Salaries and Benefits</b>	<b>11.0</b>	<b>\$797,421</b>	<b>11.0</b>	<b>\$985,340</b>
	Cost Per FTE Position		\$72,493		\$89,576
Statewide Benefit Assessment		-	17,938	-	21,751
	<b>Subtotal</b>	<b>-</b>	<b>\$17,938</b>	<b>-</b>	<b>\$21,751</b>
	<b>Payroll Costs</b>	<b>11.0</b>	<b>\$815,359</b>	<b>11.0</b>	<b>\$1,007,091</b>
<b>Purchased Services</b>					
Clerical and Temporary Services		-	640	-	640
Other Contract Services		-	400	-	400
	<b>Subtotal</b>	<b>-</b>	<b>\$1,040</b>	<b>-</b>	<b>\$1,040</b>
	<b>Total Personnel</b>	<b>11.0</b>	<b>\$816,399</b>	<b>11.0</b>	<b>\$1,008,131</b>

# Personnel

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## Department Of Business Regulation Commercial Licensing, Racing & Athletics

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	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Distribution By Source Of Funds</b>					
General Revenue		8.5	487,015	8.5	672,377
Restricted Receipts		2.5	329,384	2.5	335,754
<b>Total All Funds</b>		<b>11.0</b>	<b>\$816,399</b>	<b>11.0</b>	<b>\$1,008,131</b>

# The Program

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## Department Of Business Regulation Boards for Design Professionals

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### **Program Mission**

To examine, license, register and act upon complaints brought before the Boards for professional engineers, land surveyors, landscape architects and architects for the purpose of safeguarding the health, safety, and welfare of the public.

### **Program Description**

In the 1998 enacted budget, the Boards for Design Professionals was created as a consolidated program consisting of the Board of Registration for Professional Engineers, the Board of Registration for Professional Land Surveyors, the Board of Examiners of Landscape Architects and the Board of Examination and Registration of Architects.

Each Board is responsible for: examining and registering qualified candidates; issuing license renewals when appropriate; proctoring exams when appropriate; maintaining records of all applicants and licensees; implementing rules and regulation; and hearing and acting upon complaints.

In the FY 2008 enacted budget, the Boards for Design Professionals was moved to the Department of Business Regulation as a division known as Design Professionals.

### **Statutory History**

The Boards of Land Surveyors and Engineers were established by Title 5, Chapter 8 of the Rhode Island General Laws in 1938. In 1990, Chapter 8 was amended and Chapter 8.1 was enacted, creating two Boards – The Board of Engineers and the Board of Land Surveyors, both within the Department of Business Regulation. In 1991, the law was further amended to allow the Boards to become autonomous.

The Board of Architects was established in by Chapter 23-27 of the Rhode Island Public Laws in 1936. This law was repealed in its entirety in 1977, and was replaced by Title 5, Chapter 1 of the Rhode Island General Laws.

The Board of Landscape Architects was established by Title 5, Chapter 51 of the Rhode Island General Laws 1975.

# The Budget

## Department Of Business Regulation Boards for Design Professionals

	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	294,086	307,887	247,360	324,337	249,799
<b>Total Expenditures</b>	<b>\$294,086</b>	<b>\$307,887</b>	<b>\$247,360</b>	<b>\$324,337</b>	<b>\$249,799</b>
<b>Expenditures By Object</b>					
Personnel	235,563	253,342	184,477	266,772	192,234
Operating Supplies and Expenses	58,523	54,545	62,883	57,565	57,565
<b>Subtotal: Operating Expenditures</b>	<b>294,086</b>	<b>307,887</b>	<b>247,360</b>	<b>324,337</b>	<b>249,799</b>
<b>Total Expenditures</b>	<b>\$294,086</b>	<b>\$307,887</b>	<b>\$247,360</b>	<b>\$324,337</b>	<b>\$249,799</b>
<b>Expenditures By Funds</b>					
General Revenue	294,086	307,887	247,360	324,337	249,799
<b>Total Expenditures</b>	<b>\$294,086</b>	<b>\$307,887</b>	<b>\$247,360</b>	<b>\$324,337</b>	<b>\$249,799</b>
<b>Program Measures</b>					
Average Time to Issue Licenses	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Average Time to Resolve Complaints	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Customer Satisfacioin Survey	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD
Division Revenues to Cost Ratio*	2.03/1	3.92/1	1.32/1	1.32/1	4.27/1
Objective	N/A	N/A		1.50/1	4.00/1
Percentage of Complaint Cases Closed Versus Received	N/A	N/A	TBD	TBD	TBD
Objective	N/A	N/A		TBD	TBD

# Personnel

## Department Of Business Regulation Boards for Design Professionals

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
Administrative Assistant	823A	1.0	63,139	1.0	63,139
Administrative Assistant II	315A	1.0	48,202	1.0	48,279
Administrative Assistant	314A	1.0	44,018	-	-
<b>Subtotal</b>		<b>3.0</b>	<b>\$155,359</b>	<b>2.0</b>	<b>\$111,418</b>
<b>Total Salaries</b>		<b>3.0</b>	<b>\$155,359</b>	<b>2.0</b>	<b>\$111,418</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	1,114
FICA		-	11,885	-	8,523
Medical		-	46,142	-	33,871
Payroll Accrual		-	-	-	689
Retiree Health		-	10,658	-	7,643
Retirement		-	35,701	-	23,598
<b>Subtotal</b>		<b>-</b>	<b>\$104,386</b>	<b>-</b>	<b>\$75,438</b>
<b>Total Salaries and Benefits</b>		<b>3.0</b>	<b>\$259,745</b>	<b>2.0</b>	<b>\$186,856</b>
Cost Per FTE Position			\$86,582		\$93,428
Statewide Benefit Assessment		-	5,827	-	4,178
<b>Subtotal</b>		<b>-</b>	<b>\$5,827</b>	<b>-</b>	<b>\$4,178</b>
<b>Payroll Costs</b>		<b>3.0</b>	<b>\$265,572</b>	<b>2.0</b>	<b>\$191,034</b>
<b>Purchased Services</b>					
Clerical and Temporary Services		-	1,200	-	1,200
<b>Subtotal</b>		<b>-</b>	<b>\$1,200</b>	<b>-</b>	<b>\$1,200</b>
<b>Total Personnel</b>		<b>3.0</b>	<b>\$266,772</b>	<b>2.0</b>	<b>\$192,234</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		3.0	266,772	2.0	192,234
<b>Total All Funds</b>		<b>3.0</b>	<b>\$266,772</b>	<b>2.0</b>	<b>\$192,234</b>

# The Program

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## Department Of Business Regulation Office of Health Insurance Commissioner

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### **Program Mission**

To guard the solvency of health insurers;

To protect the interests of consumers;

To encourage fair treatment of health care providers;

To encourage policies and developments that improve the quality and efficiency of health care service delivery and outcomes;

To view the health care system as a comprehensive entity and encourage and direct insurers towards policies that advance the welfare of the public through overall efficiency, improved health care quality, and appropriate access.

### **Program Description**

The 2004 General Assembly established The Office of the Health Insurance Commissioner (OHIC). The Health Insurance Commissioner is appointed by the Governor with the advice and consent of the Senate.

OHIC staff is statutorily responsible for 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. It is also engaged in policy and legislative development, rate hearing administration, regulatory development and promulgation, consumer affairs and provider affairs and coordination with provisions of the Affordable Care Act.

The Department of Business Regulation shares certain administrative and regulatory services and personnel with OHIC as directed by statute.

### **Statutory History**

R.I.G.L. §42-14.5-1 established the Office of the Health Insurance Commissioner.

Applicable insurer regulations are found in various chapters of the R.I.G.L Titles 27 and 42.



# The Budget

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## Department Of Business Regulation Office of Health Insurance Commissioner

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	2010 Audited	2011 Audited	2012 Enacted	2012 Revised	2013 Recommend
<b>Expenditures By Subprogram</b>					
Operations	-	-	7,212,629	7,245,886	3,067,916
<b>Total Expenditures</b>	-	-	<b>\$7,212,629</b>	<b>\$7,245,886</b>	<b>\$3,067,916</b>
<b>Expenditures By Object</b>					
Personnel	-	-	5,551,540	6,026,752	2,726,498
Operating Supplies and Expenses	-	-	355,733	413,963	76,528
Assistance and Grants	-	-	1,299,356	794,671	264,890
<b>Subtotal: Operating Expenditures</b>	-	-	<b>7,206,629</b>	<b>7,235,386</b>	<b>3,067,916</b>
Capital Purchases and Equipment	-	-	6,000	10,500	-
<b>Total Expenditures</b>	-	-	<b>\$7,212,629</b>	<b>\$7,245,886</b>	<b>\$3,067,916</b>
<b>Expenditures By Funds</b>					
General Revenue	-	-	547,168	505,437	542,929
Federal Funds	-	-	6,654,961	6,729,949	2,514,487
Restricted Receipts	-	-	10,500	10,500	10,500
<b>Total Expenditures</b>	-	-	<b>\$7,212,629</b>	<b>\$7,245,886</b>	<b>\$3,067,916</b>

# Personnel

## Department Of Business Regulation Office of Health Insurance Commissioner

	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Unclassified</b>					
Health Insurance Commissioner	0854A	1.0	193,366	1.0	193,366
Associate Director for Planning, Policy & Reg	0843A	1.0	103,900	1.0	108,393
Deputy Executive Assistant	0841A	1.0	101,308	1.0	105,800
Administrative Assistant	0837A	1.0	99,408	1.0	103,900
Principal Policy Associate	0837A	2.0	159,999	2.0	166,013
Special Projects Coordinator	0829A	1.0	63,144	1.0	65,449
Program Manager	0834A	1.0	57,002	1.0	59,063
Administrative Officer	0822A	1.0	52,443	1.0	52,443
<b>Subtotal</b>		<b>9.0</b>	<b>\$830,570</b>	<b>9.0</b>	<b>\$854,427</b>
Cost Allocation from Other Program		-	49,809	-	-
Turnover		-	(144,771)	-	(160,268)
<b>Subtotal</b>		-	<b>(\$94,962)</b>	-	<b>(\$160,268)</b>
<b>Total Salaries</b>		<b>9.0</b>	<b>\$735,608</b>	<b>9.0</b>	<b>\$694,159</b>
<b>Benefits</b>					
Defined Contribution Plan		-	-	-	6,941
FICA		-	47,272	-	48,356
Medical		-	72,683	-	91,738
Payroll Accrual		-	-	-	4,274
Retiree Health		-	46,367	-	47,619
Retirement		-	155,395	-	120,344
<b>Subtotal</b>		-	<b>\$321,717</b>	-	<b>\$319,272</b>
<b>Total Salaries and Benefits</b>		<b>9.0</b>	<b>\$1,057,325</b>	<b>9.0</b>	<b>\$1,013,431</b>
Cost Per FTE Position			\$117,481		\$112,603
Statewide Benefit Assessment		-	25,967	-	26,032
<b>Subtotal</b>		-	<b>\$25,967</b>	-	<b>\$26,032</b>
<b>Payroll Costs</b>		<b>9.0</b>	<b>\$1,083,292</b>	<b>9.0</b>	<b>\$1,039,463</b>
<b>Purchased Services</b>					
Management and Consultant Services		-	4,993,269	-	1,687,035
<b>Subtotal</b>		-	<b>\$4,993,269</b>	-	<b>\$1,687,035</b>
<b>Total Personnel</b>		<b>9.0</b>	<b>\$6,076,561</b>	<b>9.0</b>	<b>\$2,726,498</b>

# Personnel

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## Department Of Business Regulation Office of Health Insurance Commissioner

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	Grade	FY 2012		FY 2013	
		FTE	Cost	FTE	Cost
<b>Distribution By Source Of Funds</b>					
General Revenue		3.0	484,277	3.0	529,021
Federal Funds		6.0	5,592,284	6.0	2,197,477
<b>Total All Funds</b>		<b>9.0</b>	<b>\$6,076,561</b>	<b>9.0</b>	<b>\$2,726,498</b>

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# Department Of Business Regulation Performance Measure Narratives

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## ***Central Management***

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### ***Department Revenues to Cost Ratio***

This is a measure of the ratio of the Department's general revenue receipts divided by the Department's general revenue expenditures. This ratio will translate into the amount the department returns to the state for each general revenue dollar spent, or simply the department's return on investment. This measure will be reported monthly.

The Department's goal is to generate \$3.00 in revenue for every \$1.00 spent, or a 3:1 return on investment.

### ***Average Age of Employee Technology***

This is a measure of the average age of computer hardware currently utilized by personnel within the department. The actual age of the hardware in FY 2012 is currently being assessed. The measurement is listed in terms of months and will be reported monthly.

The Department's goal is for the average age of employee's personal hardware to be 50 months or less.

### ***Average Age of Office Technology***

This is a measure of the average age of office technology, exclusive of employees' computer hardware, currently utilized within the department. The actual age of the hardware in FY 2012 is currently being assessed. The measurement is listed in terms of months and will be reported monthly.

### ***Percent of Licenses Issued Online***

This is a measure of the percentage of licenses that are completed online as compared to all licenses processed by the Department. This measure will be reported annually.

### ***Percentage of Department Rules and Regulations Reviewed***

This is a measure of the percentage of Department rules and regulations that are reviewed each fiscal year as compared to the total of all Department rules and regulations. This measure will be reported annually.

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# Department Of Business Regulation Performance Measure Narratives

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## ***Banking Regulation***

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### ***Average Time To Issue Licenses***

This is a measure of the average time needed (in days) to complete the licensing process from initial receipt of the application to license issuance. The Department is currently assessing the processing time for FY 2012 and will develop goals based on the results of this assessment. This measure will be reported monthly.

### ***Average Time to Conduct Examinations***

This is a measure of the average time needed (in days) to complete the examination process from initial contact to report issuance. The Department is currently assessing the processing time for FY 2012 and will develop goals based on the results of this assessment. This measure will be reported monthly.

### ***Percentage of Examinations Considered Current***

This is a measure of the percentage of examinations that are considered current in terms of the Department's accreditation mandate. This measure will be reported monthly.

### ***Percentage of Complaint Cases Closed Versus Received***

This is a measure of the percentage of complaint cases closed versus complaint cases received. This measure will be reported monthly.

### ***Average Time to Resolve Complaints***

This is a measure of the average time needed (in days) to resolve complaints, either by dismissal, sanction with fine, sanction without fine or deemed as outside of the Division's investigative scope. This measure will be reported monthly.

### ***Customer Satisfaction Survey***

This is a measure of the results of a customer satisfaction survey based on an interested party's interaction with the Division. This measure will be reported annually.

### ***Division Revenues to Cost Ratio***

This is a measure of the ratio of the Division's revenue receipts divided by the Division's general revenue expenditures. This ratio will translate into amount the department returns to the state for each general revenue dollar spent or simply the department's return on investment. This measure will be reported monthly.

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# Department Of Business Regulation Performance Measure Narratives

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## ***Securities Regulation***

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### ***Average Time to Issue Licenses***

This is a measure of the average time needed (in days) to complete the license process from initial receipt to license issuance. This measure will be reported monthly.

### ***Average Time to Conduct Examinations***

This is a measure of the average time needed (in days) to complete the examination process from initial contact to report issuance. This measure will be reported monthly.

### ***Percentage of Examinations Considered Current***

This is a measure of the percentage of examinations that are considered current in terms of the Department's accreditation mandate. This measure will be reported monthly.

### ***Percentage of Complaint Cases Closed Versus Received***

This is a measure of the percentage of complaint cases received versus complaint cases received. This measure will be reported monthly.

### ***Average Time to Resolve Complaints***

This is a measure of the average time needed (in days) to resolve complaints, either by dismissal, sanction with fine, sanction without fine or deemed as outside of the Division's investigative scope. This measure will be reported monthly.

### ***Customer Satisfaction Survey***

This is a measure of the results of a customer satisfaction survey based on an interested party's interaction with the Division. This measure will be reported annually.

### ***Division Revenues to Cost Ratio***

This is a measure of the ratio of the Division's revenue receipts divided by the Division's general revenue expenditures. This ratio will translate into amount the department returns to the state for each general revenue dollar spent or simply the department's return on investment.

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# Department Of Business Regulation Performance Measure Narratives

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## ***Insurance Regulation***

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### ***Average Time to Issue Licenses***

This is a measure of the average time needed (in days) to complete the license process from initial receipt to license issuance. This measure will be reported monthly.

### ***Average Time to Conduct Examinations***

This is a measure of the average time needed (in days) to complete the examination process from initial contact to report issuance. This measure will be reported monthly.

### ***Percentage of Examinations Considered Current***

This is a measure of the percentage of examinations that are considered current in terms of the Department's accreditation mandate. This measure will be reported monthly.

### ***Percentage of Complaint Cases Closed Versus Received***

This is a measure of the percentage of complaint cases received versus complaint cases received. This measure will be reported monthly.

### ***Average Time to Resolve Complaints***

This is a measure of the average time needed (in days) to resolve complaints, either by dismissal, sanction with fine, sanction without fine or deemed as outside of the Division's investigative scope. This measure will be reported monthly.

### ***Customer Satisfaction Survey***

This is a measure of the results of a customer satisfaction survey based on an interested party's interaction with the Division. This measure will be reported annually.

### ***Division Revenues to Cost Ratio***

This is a measure of the ratio of the Division's revenue receipts divided by the Division's general revenue expenditures. This ratio will translate into amount the department returns to the state for each general revenue dollar spent or simply the department's return on investment.

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# Department Of Business Regulation Performance Measure Narratives

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## ***Commercial Licensing, Racing & Athletics***

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### ***Average Time to Issue Licenses***

This is a measure of the average time needed (in days) to complete the license process from initial receipt to license issuance. This measure will be reported monthly.

### ***Average Time to Conduct Inspections***

This is a measure of the average time needed (in days) to complete the inspection process from initial contact to report issuance. This measure will be reported monthly.

### ***Percentage of Examinations Considered Current***

This is a measure of the percentage of examinations that are considered current in terms of the Department's accreditation mandate. This measure will be reported monthly.

### ***Percentage of Complaint Cases Closed Versus Received***

This is a measure of the percentage of complaint cases received versus complaint cases received. This measure will be reported monthly.

### ***Average Time to Resolve Complaints***

This is a measure of the average time needed (in days) to resolve complaints, either by dismissal, sanction with fine, sanction without fine or deemed as outside of the Division's investigative scope. This measure will be reported monthly.

### ***Customer Satisfaction Survey***

This is a measure of the results of a customer satisfaction survey based on an interested party's interaction with the Division. This measure will be reported annually.

### ***Division Revenues to Cost Ratio***

This is a measure of the ratio of the Division's revenue receipts divided by the Division's general revenue expenditures. This ratio will translate into amount the department returns to the state for each general revenue dollar spent or simply the department's return on investment.



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# Department Of Business Regulation Performance Measure Narratives

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## ***Boards for Design Professionals***

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### ***Average Time to Issue Licenses***

This is a measure of the average time needed (in days) to complete the license process from initial receipt to license issuance. This measure will be reported monthly.

### ***Average Time to Resolve Complaints***

This is a measure of the average time needed (in days) to resolve complaints, either by dismissal, sanction with fine, sanction without fine or deemed as outside of the Division's investigative scope. This measure will be reported monthly.

### ***Customer Satisfaction Survey***

This is a measure of the results of a customer satisfaction survey based on an interested party's interaction with the Division. This measure will be reported annually.

### ***Division Revenues to Cost Ratio\****

This is a measure of the ratio of the Division's revenue receipts divided by the Division's general revenue expenditures. This ratio will translate into amount the department returns to the state for each general revenue dollar spent or simply the department's return on investment.

\* Design Professional's varying objectives due to odd/even year renewals.

### ***Percentage of Complaint Cases Closed Versus Received***

This is a measure of the percentage of complaint cases closed versus complaint cases received. This measure will be reported monthly.