

State of Rhode Island and Providence Plantations

# Budget



## Fiscal Year 2015

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

Lincoln D. Chafee, Governor

**Dedication**

*This year's budget documents are dedicated to the  
Memory of William V. Golas, Jr.  
Sr. Budget Analyst 1987 - 2013*

*The image on the cover of this year's budget document is a Winter Scene of the State House from Artist John Pitocco of Providence and is reproduced by permission of the artist in collaboration with the Rhode Island State Council on the Arts.*

# 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.

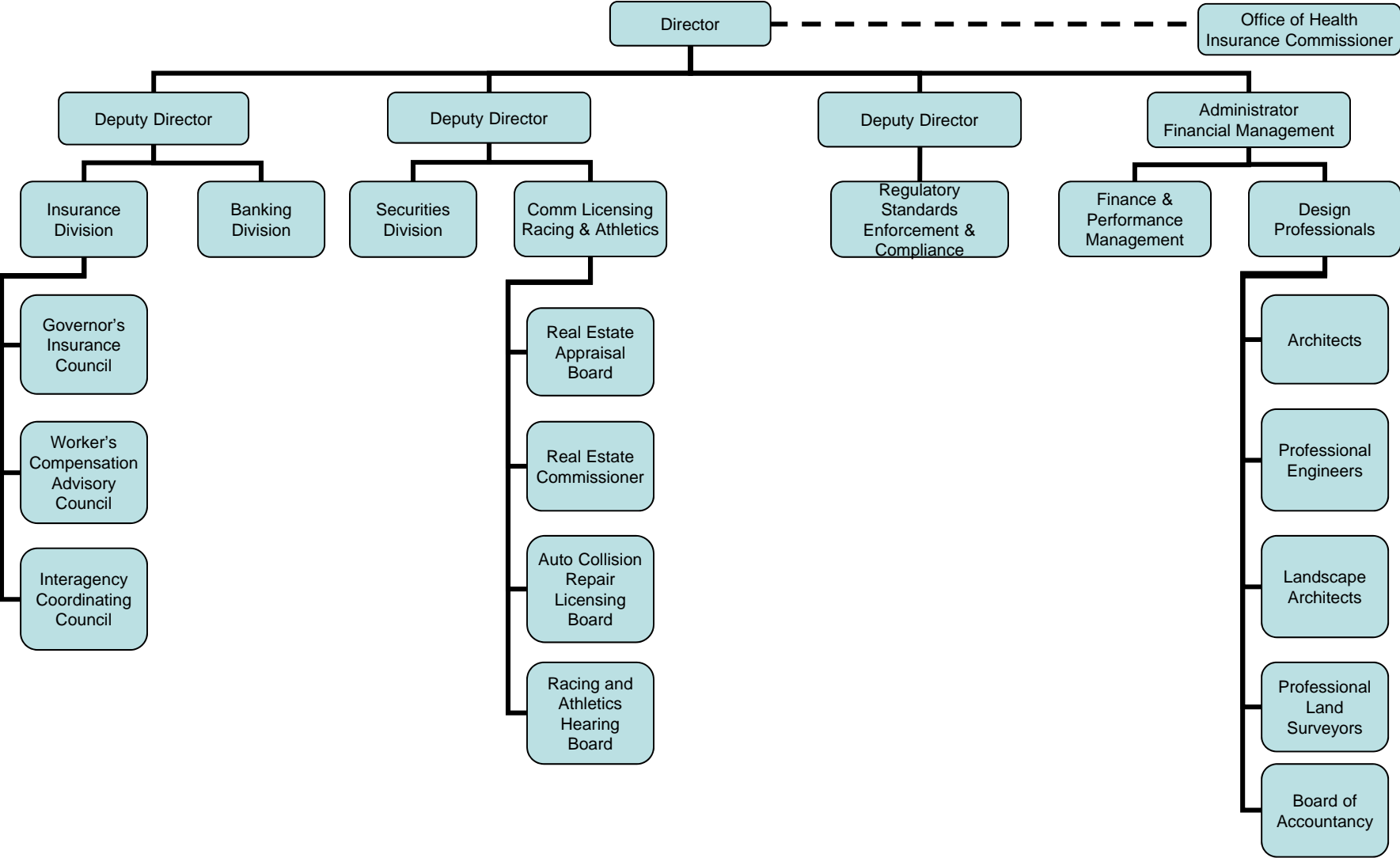
# Budget

## Department Of Business Regulation

	FY 2012 Audited	FY 2013 Audited	FY 2014 Enacted	FY 2014 Revised	FY 2015 Recommend
<b>Expenditures By Program</b>					
Central Management	1,102,117	1,142,117	1,197,671	1,221,398	1,234,949
Banking Regulation	1,405,880	1,461,945	1,840,225	1,567,694	1,564,260
Securities Regulation	826,792	893,842	995,090	938,648	1,013,151
Insurance Regulation	4,736,942	4,666,483	5,113,467	5,065,692	5,177,250
Board of Accountancy	109,452	49,615	81,034	16,654	16,654
Commercial Licensing, Racing & Athletics	889,053	1,012,938	1,208,270	1,141,311	1,170,059
Boards for Design Professionals	313,064	254,646	253,854	256,214	260,635
Office of Health Insurance Commissioner	3,207,926	5,225,712	2,300,269	4,469,169	2,539,472
<b>Total Expenditures</b>	<b>\$12,591,226</b>	<b>\$14,707,298</b>	<b>\$12,989,880</b>	<b>\$14,676,780</b>	<b>\$12,976,430</b>
<b>Expenditures By Object</b>					
Personnel	12,054,334	14,191,075	12,216,512	12,577,981	12,451,564
Operating Supplies and Expenses	479,097	445,534	679,630	2,005,061	431,128
Assistance and Grants	-	-	80,000	80,000	80,000
<b>Subtotal: Operating Expenditures</b>	<b>12,533,431</b>	<b>14,636,609</b>	<b>12,976,142</b>	<b>14,663,042</b>	<b>12,962,692</b>
Capital Purchases and Equipment	57,795	70,689	13,738	13,738	13,738
<b>Total Expenditures</b>	<b>\$12,591,226</b>	<b>\$14,707,298</b>	<b>\$12,989,880</b>	<b>\$14,676,780</b>	<b>\$12,976,430</b>
<b>Expenditures By Funds</b>					
General Revenue	8,394,345	8,610,843	9,245,878	8,814,930	9,013,477
Federal Funds	2,726,596	4,698,165	1,747,589	3,958,494	2,021,830
Restricted Receipts	1,470,285	1,398,290	1,996,413	1,903,356	1,941,123
<b>Total Expenditures</b>	<b>\$12,591,226</b>	<b>\$14,707,298</b>	<b>\$12,989,880</b>	<b>\$14,676,780</b>	<b>\$12,976,430</b>
<b>FTE Authorization</b>	<b>93.0</b>	<b>96.0</b>	<b>94.0</b>	<b>98.0</b>	<b>98.0</b>

# The Agency

## Department of Business Regulation



# Personnel

## Department Of Business Regulation Agency Summary

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
Classified		79.0	5,459,464	79.0	5,460,311
Unclassified		19.0	1,563,461	19.0	1,574,713
<b>Subtotal</b>		<b>98.0</b>	<b>\$7,022,925</b>	<b>98.0</b>	<b>\$7,035,024</b>
Interdepartmental Transfer		-	(\$54,715)	-	(\$103,506)
Reconcile to FTE Authorization		(4.0)	-	(4.0)	-
Temporary and Seasonal		-	41,880	-	41,880
Turnover		-	(\$750,521)	-	(\$444,453)
<b>Subtotal</b>		<b>(4.0)</b>	<b>(\$763,356)</b>	<b>(4.0)</b>	<b>(\$506,079)</b>
<b>Total Salaries</b>		<b>94.0</b>	<b>\$6,259,569</b>	<b>94.0</b>	<b>\$6,528,945</b>
<b>Benefits</b>					
Payroll Accrual			35,748		37,278
FICA			475,544		496,786
Retiree Health			439,595		438,974
Health Benefits			989,996		1,129,500
Retirement			1,495,353		1,577,340
<b>Subtotal</b>			<b>\$3,436,236</b>		<b>\$3,679,878</b>
<b>Total Salaries and Benefits</b>		<b>94.0</b>	<b>\$9,695,805</b>	<b>94.0</b>	<b>\$10,208,823</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$102,701</b>		<b>\$108,159</b>
<b>Statewide Benefit Assessment</b>			<b>\$266,028</b>		<b>\$277,482</b>
<b>Payroll Costs</b>		<b>94.0</b>	<b>\$9,961,833</b>	<b>94.0</b>	<b>\$10,486,305</b>
<b>Purchased Services</b>					
Clerical and Temporary Services			2,760		2,760
Management & Consultant Services			2,589,562		1,938,675
Legal Services			9,333		9,333
Other Contracts			4,492		4,492
Training and Educational Services			10,000		10,000
<b>Subtotal</b>			<b>\$2,616,147</b>		<b>\$1,965,260</b>
<b>Total Personnel</b>		<b>94.0</b>	<b>\$12,577,981</b>	<b>94.0</b>	<b>\$12,451,564</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		82.6	\$8,592,172	82.6	\$8,791,417
Federal Funds		10.0	\$2,378,673	10.0	\$2,015,244
Restricted Receipts		5.5	\$1,607,136	5.5	\$1,644,903
<b>Total All Funds</b>		<b>98.0</b>	<b>\$12,577,981</b>	<b>98.0</b>	<b>\$12,451,564</b>

# 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

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## Department Of Business Regulation Central Management

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	1,102,117	1,142,117	1,197,671	1,221,398	1,234,949
<b>Total Expenditures</b>	<b>\$1,102,117</b>	<b>\$1,142,117</b>	<b>\$1,197,671</b>	<b>\$1,221,398</b>	<b>\$1,234,949</b>
<b>Expenditures By Object</b>					
Personnel	1,054,810	1,084,464	1,162,697	1,186,424	1,199,975
Operating Supplies and Expenses	42,085	47,875	32,937	32,937	32,937
<b>Subtotal: Operating Expenditures</b>	<b>1,096,895</b>	<b>1,132,339</b>	<b>1,195,634</b>	<b>1,219,361</b>	<b>1,232,912</b>
Capital Purchases and Equipment	5,222	9,778	2,037	2,037	2,037
<b>Total Expenditures</b>	<b>\$1,102,117</b>	<b>\$1,142,117</b>	<b>\$1,197,671</b>	<b>\$1,221,398</b>	<b>\$1,234,949</b>
<b>Expenditures By Funds</b>					
General Revenue	1,102,117	1,142,117	1,197,671	1,221,398	1,234,949
<b>Total Expenditures</b>	<b>\$1,102,117</b>	<b>\$1,142,117</b>	<b>\$1,197,671</b>	<b>\$1,221,398</b>	<b>\$1,234,949</b>



# Personnel

## Department Of Business Regulation Central Management

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
DEPUTY DIRECTOR DEPARTMENT OF BUSINESS	00144A	1.0	129,116	1.0	129,116
CHIEF OF LEGAL SERVICES	00139A	1.0	96,760	1.0	96,760
DEPUTY CHIEF OF LEGAL SERVICES	00137A	1.0	94,538	1.0	94,538
ADMINISTRATOR, FINANCIAL MANAGEMENT	00137A	1.0	90,839	1.0	90,839
LEGAL COUNSEL	00132A	1.0	62,196	1.0	64,470
SYSTEMS ANALYST	00124A	1.0	60,403	1.0	60,403
<b>Subtotal</b>		<b>6.0</b>	<b>\$533,852</b>	<b>6.0</b>	<b>\$536,126</b>
<b>Unclassified</b>					
DIRECTOR, DEPARTMENT OF BUSINESS	00945KF	1.0	101,598	1.0	101,598
PROJECT COORDINATOR	00826A	1.0	72,244	1.0	72,244
EXECUTIVE SECRETARY	00819A	1.0	41,150	1.0	42,178
<b>Subtotal</b>		<b>3.0</b>	<b>\$214,992</b>	<b>3.0</b>	<b>\$216,020</b>
<b>Total Salaries</b>		<b>9.0</b>	<b>\$748,844</b>	<b>9.0</b>	<b>\$752,146</b>
<b>Benefits</b>					
Payroll Accrual			4,281		4,298
FICA			56,312		56,776
Retiree Health			52,944		50,769
Health Benefits			108,671		117,572
Retirement			180,095		182,997
<b>Subtotal</b>			<b>\$402,303</b>		<b>\$412,412</b>
<b>Total Salaries and Benefits</b>		<b>9.0</b>	<b>\$1,151,147</b>	<b>9.0</b>	<b>\$1,164,558</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$127,905</b>		<b>\$129,395</b>
<b>Statewide Benefit Assessment</b>			<b>\$31,825</b>		<b>\$31,966</b>
<b>Payroll Costs</b>		<b>9.0</b>	<b>\$1,182,972</b>	<b>9.0</b>	<b>\$1,196,524</b>
<b>Purchased Services</b>					
Other Contracts			3,452		3,452
<b>Subtotal</b>			<b>\$3,452</b>		<b>\$3,452</b>
<b>Total Personnel</b>		<b>9.0</b>	<b>\$1,186,424</b>	<b>9.0</b>	<b>\$1,199,975</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		9.0	\$1,186,424	9.0	\$1,199,975
<b>Total All Funds</b>		<b>9.0</b>	<b>\$1,186,424</b>	<b>9.0</b>	<b>\$1,199,975</b>

# Performance Measures

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## Department Of Business Regulation Central Management

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### *Online License Issuance*

Rhode Island's Department of Business Regulation (DBR) administers an eLicensing system, which was expanded in 2013 to include additional categories of professional licenses. The 24-hour service allows DBR to expedite processing of license transactions by eliminating paper forms and improving accuracy. The figures below represent the percentage of DBR-issued licenses which are issued through the eLicensing system.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	95%	95%	95%
<b>Actual</b>	80.6%	93.2%	91.8%	--	--

Performance for this measure is reported by state fiscal year and is current as of 6/30/2013.

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### *Department Rules & Regulations Reviewed*

The figures below represent the percentage of departmental rules and regulations reviewed over the course of the fiscal year. Beginning in FY 2013, the regulatory review process was updated to provide for a more thorough and in-depth review. These comprehensive reviews require considerably more scrutiny and focus, which has led to new measure objectives.

	2011	2012	2013	2014	2015
<b>Target</b>	100%	100%	25%	25%	25%
<b>Actual</b>	100%	100%	25%	15.5%	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

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# 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

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## Department Of Business Regulation Banking Regulation

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	1,405,880	1,461,945	1,840,225	1,567,694	1,564,260
<b>Total Expenditures</b>	<b>\$1,405,880</b>	<b>\$1,461,945</b>	<b>\$1,840,225</b>	<b>\$1,567,694</b>	<b>\$1,564,260</b>
<b>Expenditures By Object</b>					
Personnel	1,299,529	1,404,533	1,680,273	1,500,806	1,497,372
Operating Supplies and Expenses	104,445	51,105	154,952	61,888	61,888
<b>Subtotal: Operating Expenditures</b>	<b>1,403,974</b>	<b>1,455,638</b>	<b>1,835,225</b>	<b>1,562,694</b>	<b>1,559,260</b>
Capital Purchases and Equipment	1,906	6,307	5,000	5,000	5,000
<b>Total Expenditures</b>	<b>\$1,405,880</b>	<b>\$1,461,945</b>	<b>\$1,840,225</b>	<b>\$1,567,694</b>	<b>\$1,564,260</b>
<b>Expenditures By Funds</b>					
General Revenue	1,327,986	1,440,656	1,715,225	1,517,694	1,514,260
Restricted Receipts	77,894	21,289	125,000	50,000	50,000
<b>Total Expenditures</b>	<b>\$1,405,880</b>	<b>\$1,461,945</b>	<b>\$1,840,225</b>	<b>\$1,567,694</b>	<b>\$1,564,260</b>

# Personnel

## Department Of Business Regulation Banking Regulation

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
SUPERVISOR OF EXAMINATIONS	0AB37A	1.0	93,744	1.0	93,744
ASSISTANT SUPERVISOR OF EXAMINATIONS	0AB35A	4.0	377,452	4.0	378,149
PRINCIPAL LICENSING EXAMINER - BANKING	0AB31A	1.0	79,840	-	-
STATE CHIEF BANK EXAMINER	00139A	1.0	77,626	1.0	77,626
PRINCIPAL BANK EXAMINER	0AB31A	2.0	148,196	2.0	151,713
SENIOR BANK EXAMINER	0AB28A	2.0	112,149	2.0	112,149
BANK EXAMINER	0AB24A	3.0	144,382	4.0	191,736
LICENSING AIDE	0AB15A	1.0	42,998	1.0	42,998
<b>Subtotal</b>		<b>15.0</b>	<b>\$1,076,387</b>	<b>15.0</b>	<b>\$1,048,115</b>
Turnover		-	(147,752)	-	(129,492)
<b>Subtotal</b>		<b>-</b>	<b>(\$147,752)</b>	<b>-</b>	<b>(\$129,492)</b>
<b>Total Salaries</b>		<b>15.0</b>	<b>\$928,635</b>	<b>15.0</b>	<b>\$918,623</b>
<b>Benefits</b>					
Payroll Accrual			5,313		5,254
FICA			71,040		70,275
Retiree Health			65,655		62,006
Health Benefits			165,999		177,315
Retirement			223,336		223,497
<b>Subtotal</b>			<b>\$531,343</b>		<b>\$538,347</b>
<b>Total Salaries and Benefits</b>		<b>15.0</b>	<b>\$1,459,978</b>	<b>15.0</b>	<b>\$1,456,970</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$97,332</b>		<b>\$97,131</b>
<b>Statewide Benefit Assessment</b>			<b>\$39,467</b>		<b>\$39,042</b>
<b>Payroll Costs</b>		<b>15.0</b>	<b>\$1,499,445</b>	<b>15.0</b>	<b>\$1,496,012</b>
<b>Purchased Services</b>					
Clerical and Temporary Services			720		720
Other Contracts			640		640
<b>Subtotal</b>			<b>\$1,360</b>		<b>\$1,360</b>
<b>Total Personnel</b>		<b>15.0</b>	<b>\$1,500,806</b>	<b>15.0</b>	<b>\$1,497,372</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		15.0	\$1,500,806	15.0	\$1,497,372
<b>Total All Funds</b>		<b>15.0</b>	<b>\$1,500,806</b>	<b>15.0</b>	<b>\$1,497,372</b>

# Performance Measures

## Department Of Business Regulation Banking Regulation

### *Timeliness of Complaint Resolution*

The figures below represent the average amount of time it takes the Banking Division to resolve a complaint.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	360 Days	60 Days	60 Days
<b>Actual</b>	--	--	21 Days	30 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Timeliness of License Issuance*

The figures below represent the average amount of time it takes the Banking Division to issue a license. (Note: In July 2013, DBR began modifying data collection and methodology for this measure. When complete, DBR will supply FY 2014 data.)

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	155 Days	30 Days	30 Days
<b>Actual</b>	--	218 Days	70 Days	--	--

Performance for this measure is reported by state fiscal year and is current as of 6/30/2013.

### *Examination Closure*

DBR performs bank examinations on an ongoing basis, with the number of annual inspections set according to an established schedule. The figures below represent the percentage of examinations conducted by the Banking Division that were closed within the scheduled timeframe.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	--	95%	95%
<b>Actual</b>	--	52.9%	87.8%	84.4%	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

# 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

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## Department Of Business Regulation Securities Regulation

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	826,792	893,842	995,090	938,648	1,013,151
<b>Total Expenditures</b>	<b>\$826,792</b>	<b>\$893,842</b>	<b>\$995,090</b>	<b>\$938,648</b>	<b>\$1,013,151</b>
<b>Expenditures By Object</b>					
Personnel	797,937	873,741	957,567	920,507	995,010
Operating Supplies and Expenses	18,753	16,475	37,523	18,141	18,141
<b>Subtotal: Operating Expenditures</b>	<b>816,690</b>	<b>890,216</b>	<b>995,090</b>	<b>938,648</b>	<b>1,013,151</b>
Capital Purchases and Equipment	10,102	3,626	-	-	-
<b>Total Expenditures</b>	<b>\$826,792</b>	<b>\$893,842</b>	<b>\$995,090</b>	<b>\$938,648</b>	<b>\$1,013,151</b>
<b>Expenditures By Funds</b>					
General Revenue	824,599	895,420	980,090	935,148	1,009,651
Restricted Receipts	2,193	(1,578)	15,000	3,500	3,500
<b>Total Expenditures</b>	<b>\$826,792</b>	<b>\$893,842</b>	<b>\$995,090</b>	<b>\$938,648</b>	<b>\$1,013,151</b>



# Personnel

## Department Of Business Regulation Securities Regulation

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
DEPUTY DIRECTOR DEPARTMENT OF BUSINESS	00144A	1.0	129,687	1.0	129,687
CHIEF SECURITIES EXAMINER	00137A	1.0	86,317	1.0	86,317
PRINCIPAL SECURITIES EXAMINER	0AB31A	1.0	71,756	1.0	69,180
SENIOR SECURITIES EXAMINER	0AB28A	1.0	61,936	1.0	64,413
SECURITIES EXAMINER	0AB24A	3.0	141,765	3.0	146,219
SYSTEMS ANALYST	0AB24A	1.0	43,218	1.0	43,218
ASSISTANT ADMINISTRATIVE OFFICER	0AB21A	1.0	41,453	1.0	42,513
LICENSING AIDE	0AB15A	1.0	37,389	1.0	37,389
<b>Subtotal</b>		<b>10.0</b>	<b>\$613,521</b>	<b>10.0</b>	<b>\$618,936</b>
Turnover		-	(67,214)	-	(37,389)
<b>Subtotal</b>		<b>-</b>	<b>(\$67,214)</b>	<b>-</b>	<b>(\$37,389)</b>
<b>Total Salaries</b>		<b>10.0</b>	<b>\$546,307</b>	<b>10.0</b>	<b>\$581,547</b>
<b>Benefits</b>					
Payroll Accrual			3,122		3,323
FICA			40,784		43,690
Retiree Health			38,625		39,255
Health Benefits			137,064		160,988
Retirement			131,387		141,491
<b>Subtotal</b>			<b>\$350,982</b>		<b>\$388,747</b>
<b>Total Salaries and Benefits</b>		<b>10.0</b>	<b>\$897,289</b>	<b>10.0</b>	<b>\$970,294</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$89,729</b>		<b>\$97,029</b>
<b>Statewide Benefit Assessment</b>			<b>\$23,218</b>		<b>\$24,716</b>
<b>Payroll Costs</b>		<b>10.0</b>	<b>\$920,507</b>	<b>10.0</b>	<b>\$995,010</b>
<b>Total Personnel</b>		<b>10.0</b>	<b>\$920,507</b>	<b>10.0</b>	<b>\$995,010</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		10.0	\$920,507	10.0	\$995,010
<b>Total All Funds</b>		<b>10.0</b>	<b>\$920,507</b>	<b>10.0</b>	<b>\$995,010</b>

# Performance Measures

## Department Of Business Regulation Securities Regulation

### *Timeliness of Complaint Resolution*

The figures below represent the average amount of time it takes the Securities Division to resolve a complaint.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	360 Days	50 Days	50 Days
<b>Actual</b>	--	--	94 Days	94 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Timeliness of License Issuance*

The figures below represent the average amount of time it takes the Securities Division to issue a license.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	14 Days	10 Days	10 Days
<b>Actual</b>	--	10 Days	11 Days	11 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Examination Closure*

DBR conducts on-site examinations of broker-dealers and investment advisers on an ongoing basis. The figures below represent the percentage of examinations conducted by the Securities Division that have been closed since May 2012, when DBR began tracking this performance measure.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	--	95%	95%
<b>Actual</b>	--	100%	100%	100%	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

# 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

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## Department Of Business Regulation Insurance Regulation

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	4,736,942	4,666,483	5,113,467	5,065,692	5,177,250
<b>Total Expenditures</b>	<b>\$4,736,942</b>	<b>\$4,666,483</b>	<b>\$5,113,467</b>	<b>\$5,065,692</b>	<b>\$5,177,250</b>
<b>Expenditures By Object</b>					
Personnel	4,590,852	4,483,763	4,883,864	4,919,320	5,030,878
Operating Supplies and Expenses	139,996	142,378	226,103	142,872	142,872
<b>Subtotal: Operating Expenditures</b>	<b>4,730,848</b>	<b>4,626,141</b>	<b>5,109,967</b>	<b>5,062,192</b>	<b>5,173,750</b>
Capital Purchases and Equipment	6,094	40,342	3,500	3,500	3,500
<b>Total Expenditures</b>	<b>\$4,736,942</b>	<b>\$4,666,483</b>	<b>\$5,113,467</b>	<b>\$5,065,692</b>	<b>\$5,177,250</b>
<b>Expenditures By Funds</b>					
General Revenue	3,666,791	3,622,967	3,767,883	3,782,952	3,883,238
Restricted Receipts	1,070,151	1,043,516	1,345,584	1,282,740	1,294,012
<b>Total Expenditures</b>	<b>\$4,736,942</b>	<b>\$4,666,483</b>	<b>\$5,113,467</b>	<b>\$5,065,692</b>	<b>\$5,177,250</b>

# Personnel

## Department Of Business Regulation Insurance Regulation

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
DEPUTY DIRECTOR DEPARTMENT OF BUSINESS	00144A	1.0	134,756	1.0	134,756
CHIEF INSURANCE EXAMINER	00139A	2.0	215,460	2.0	226,215
CHIEF PROPERTY AND CASUALTY INSURANCE	00137A	1.0	100,180	1.0	107,088
INSURANCE EXAMINER-IN-CHARGE	0AB36A	7.0	676,482	7.0	676,482
DEPUTY CHIEF OF LEGAL SERVICES	00137A	1.0	94,657	1.0	100,990
PRINCIPAL INSURANCE ANALYST	0AB31A	2.0	158,216	2.0	158,216
MARKET CONDUCT EXAMINER IN CHARGE	0AB36A	1.0	70,207	1.0	70,207
PRINCIPAL INSURANCE EXAMINER	0AB31A	1.0	74,192	1.0	75,148
SENIOR INSURANCE EXAMINER	0AB28A	4.0	265,229	4.0	265,229
SENIOR MARKET CONDUCT EXAMINER	0AB28A	2.0	126,440	2.0	130,004
ADMINISTRATIVE OFFICER	0AB24A	1.0	60,278	1.0	60,278
SENIOR INSURANCE ANALYST	0AB28A	3.0	182,204	3.0	170,183
ASSISTANT ADMINISTRATIVE OFFICER	00121A	1.0	49,686	1.0	49,686
INSURANCE EXAMINER	0AB24A	4.0	186,625	4.0	189,482
CLERK SECRETARY	0AB16A	1.0	45,932	1.0	45,932
INSURANCE ANALYST	0AB24A	1.0	44,801	1.0	46,205
LICENSING AIDE	0AB15A	3.0	122,553	3.0	122,553
<b>Subtotal</b>		<b>36.0</b>	<b>\$2,607,898</b>	<b>36.0</b>	<b>\$2,628,654</b>
<b>Unclassified</b>					
ACCOUNTANT	00818A	1.0	47,420	1.0	47,420
<b>Subtotal</b>		<b>1.0</b>	<b>\$47,420</b>	<b>1.0</b>	<b>\$47,420</b>
Turnover		-	(197,667)	-	(165,394)
<b>Subtotal</b>		<b>-</b>	<b>(\$197,667)</b>	<b>-</b>	<b>(\$165,394)</b>
<b>Total Salaries</b>		<b>37.0</b>	<b>\$2,457,651</b>	<b>37.0</b>	<b>\$2,510,680</b>
<b>Benefits</b>					
Payroll Accrual			14,056		14,355
FICA			186,683		190,950
Retiree Health			173,756		169,467
Health Benefits			360,364		396,576
Retirement			591,063		610,849
<b>Subtotal</b>			<b>\$1,325,922</b>		<b>\$1,382,197</b>
<b>Total Salaries and Benefits</b>		<b>37.0</b>	<b>\$3,783,573</b>	<b>37.0</b>	<b>\$3,892,877</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$102,259</b>		<b>\$105,213</b>
<b>Statewide Benefit Assessment</b>			<b>\$104,449</b>		<b>\$106,703</b>
<b>Payroll Costs</b>		<b>37.0</b>	<b>\$3,888,022</b>	<b>37.0</b>	<b>\$3,999,580</b>

# Personnel

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## Department Of Business Regulation Insurance Regulation

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	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Purchased Services</b>					
Clerical and Temporary Services			200		200
Management & Consultant Services			1,018,650		1,018,650
Legal Services			2,448		2,448
Training and Educational Services			10,000		10,000
<b>Subtotal</b>			<b>\$1,031,298</b>		<b>\$1,031,298</b>
<b>Total Personnel</b>		<b>37.0</b>	<b>\$4,919,320</b>	<b>37.0</b>	<b>\$5,030,878</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		35.1	\$3,713,140	35.1	\$3,813,426
Restricted Receipts		1.9	\$1,206,180	1.9	\$1,217,452
<b>Total All Funds</b>		<b>37.0</b>	<b>\$4,919,320</b>	<b>37.0</b>	<b>\$5,030,878</b>

# Performance Measures

## Department Of Business Regulation Insurance Regulation

### *Timeliness of Complaint Resolution*

The figures below represent the average amount of time it takes the Insurance Division to resolve a complaint.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	360 Days	60 Days	60 Days
<b>Actual</b>	--	--	2 Days	2 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Timeliness of License Issuance*

The figures below represent the average amount of time it takes the Insurance Division to issue a license.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	18 Days	10 Days	10 Days
<b>Actual</b>	--	10 Days	14 Days	14 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Examination Closure*

DBR performs insurance examinations on an ongoing basis, with the number of annual inspections set according to an established schedule. The figures below represent the percentage of examinations conducted by the Insurance Division that were closed within the scheduled timeframe.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	--	80%	80%
<b>Actual</b>	--	67%	79%	79.5%	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

# 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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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	109,452	49,615	81,034	16,654	16,654
<b>Total Expenditures</b>	<b>\$109,452</b>	<b>\$49,615</b>	<b>\$81,034</b>	<b>\$16,654</b>	<b>\$16,654</b>
<b>Expenditures By Object</b>					
Personnel	103,788	42,398	71,265	6,885	6,885
Operating Supplies and Expenses	5,664	6,126	9,769	9,769	9,769
<b>Subtotal: Operating Expenditures</b>	<b>109,452</b>	<b>48,524</b>	<b>81,034</b>	<b>16,654</b>	<b>16,654</b>
Capital Purchases and Equipment	-	1,091	-	-	-
<b>Total Expenditures</b>	<b>\$109,452</b>	<b>\$49,615</b>	<b>\$81,034</b>	<b>\$16,654</b>	<b>\$16,654</b>
<b>Expenditures By Funds</b>					
General Revenue	109,452	49,615	81,034	16,654	16,654
<b>Total Expenditures</b>	<b>\$109,452</b>	<b>\$49,615</b>	<b>\$81,034</b>	<b>\$16,654</b>	<b>\$16,654</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

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

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	889,053	1,012,938	1,208,270	1,141,311	1,170,059
<b>Total Expenditures</b>	<b>\$889,053</b>	<b>\$1,012,938</b>	<b>\$1,208,270</b>	<b>\$1,141,311</b>	<b>\$1,170,059</b>
<b>Expenditures By Object</b>					
Personnel	839,659	958,936	1,008,176	980,450	1,009,198
Operating Supplies and Expenses	39,292	46,987	116,893	77,660	77,660
Assistance and Grants	-	-	80,000	80,000	80,000
<b>Subtotal: Operating Expenditures</b>	<b>878,951</b>	<b>1,005,923</b>	<b>1,205,069</b>	<b>1,138,110</b>	<b>1,166,858</b>
Capital Purchases and Equipment	10,102	7,015	3,201	3,201	3,201
<b>Total Expenditures</b>	<b>\$889,053</b>	<b>\$1,012,938</b>	<b>\$1,208,270</b>	<b>\$1,141,311</b>	<b>\$1,170,059</b>
<b>Expenditures By Funds</b>					
General Revenue	569,006	682,918	707,941	584,695	586,948
Restricted Receipts	320,047	330,020	500,329	556,616	583,111
<b>Total Expenditures</b>	<b>\$889,053</b>	<b>\$1,012,938</b>	<b>\$1,208,270</b>	<b>\$1,141,311</b>	<b>\$1,170,059</b>

# Personnel

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

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Classified</b>					
ADMINISTRATOR REAL ESTATE	00135A	1.0	87,872	1.0	87,872
CHIEF PUBLIC PROTECTION INSPECTOR	0AB32A	1.0	74,448	1.0	71,882
CHIEF LICENSING EXAMINER-RACING & IMPLEMENTATION AIDE	00133A	1.0	74,146	1.0	74,589
PARI-MUTUAL OPERATIONS SPECIALIST	0AB22A	1.0	54,323	1.0	54,323
LIQUOR CONTROL INVESTIGATOR	03726A	2.0	95,816	2.0	97,301
LICENSING AIDE	0AB18A	1.0	49,283	1.0	49,283
LICENSING AIDE	0AB15A	5.0	191,918	5.0	193,230
<b>Subtotal</b>		<b>12.0</b>	<b>\$627,806</b>	<b>12.0</b>	<b>\$628,480</b>
Temporary and Seasonal		-	41,880	-	41,880
Turnover		-	(46,680)	-	(34,368)
<b>Subtotal</b>		<b>-</b>	<b>(\$4,800)</b>	<b>-</b>	<b>\$7,512</b>
<b>Total Salaries</b>		<b>12.0</b>	<b>\$623,006</b>	<b>12.0</b>	<b>\$635,992</b>
<b>Benefits</b>					
Payroll Accrual			3,513		3,587
FICA			47,660		48,656
Retiree Health			41,086		40,104
Health Benefits			97,905		108,238
Retirement			139,762		144,550
<b>Subtotal</b>			<b>\$329,926</b>		<b>\$345,135</b>
<b>Total Salaries and Benefits</b>		<b>12.0</b>	<b>\$952,932</b>	<b>12.0</b>	<b>\$981,127</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$75,921</b>		<b>\$78,271</b>
<b>Statewide Benefit Assessment</b>			<b>\$26,478</b>		<b>\$27,031</b>
<b>Payroll Costs</b>		<b>12.0</b>	<b>\$979,410</b>	<b>12.0</b>	<b>\$1,008,158</b>
<b>Purchased Services</b>					
Clerical and Temporary Services			640		640
Other Contracts			400		400
<b>Subtotal</b>			<b>\$1,040</b>		<b>\$1,040</b>
<b>Total Personnel</b>		<b>12.0</b>	<b>\$980,450</b>	<b>12.0</b>	<b>\$1,009,198</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		8.5	\$579,494	8.5	\$581,747
Restricted Receipts		3.6	\$400,956	3.6	\$427,451
<b>Total All Funds</b>		<b>12.0</b>	<b>\$980,450</b>	<b>12.0</b>	<b>\$1,009,198</b>

# Performance Measures

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

### *Timeliness of Complaint Resolution*

The figures below represent the average amount of time it takes the Commercial Licensing, Racing & Athletics Division to resolve a complaint.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	360 Days	50 Days	50 Days
<b>Actual</b>	--	193 Days	72 Days	77 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Timeliness of License Issuance*

The figures below represent the average amount of time it takes the Commercial Licensing, Racing & Athletics Division to issue a license.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	25 Days	10 Days	10 Days
<b>Actual</b>	--	--	4 Days	5 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

### *Inspection Closure*

DBR conducts on-site examinations of broker-dealers and investment advisers on an ongoing basis. The figures below represent the percentage of inspections conducted by the Commercial Licensing, Racing & Athletics Division that have been closed since May 2012, when DBR began tracking this performance measure.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	--	85%	85%
<b>Actual</b>	--	--	72.1%	77.1%	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

# 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

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## Department Of Business Regulation Boards for Design Professionals

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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	313,064	254,646	253,854	256,214	260,635
<b>Total Expenditures</b>	<b>\$313,064</b>	<b>\$254,646</b>	<b>\$253,854</b>	<b>\$256,214</b>	<b>\$260,635</b>
<b>Expenditures By Object</b>					
Personnel	259,679	192,871	196,289	198,649	203,070
Operating Supplies and Expenses	53,385	60,763	57,565	57,565	57,565
<b>Subtotal: Operating Expenditures</b>	<b>313,064</b>	<b>253,634</b>	<b>253,854</b>	<b>256,214</b>	<b>260,635</b>
Capital Purchases and Equipment	-	1,012	-	-	-
<b>Total Expenditures</b>	<b>\$313,064</b>	<b>\$254,646</b>	<b>\$253,854</b>	<b>\$256,214</b>	<b>\$260,635</b>
<b>Expenditures By Funds</b>					
General Revenue	313,064	254,646	253,854	256,214	260,635
<b>Total Expenditures</b>	<b>\$313,064</b>	<b>\$254,646</b>	<b>\$253,854</b>	<b>\$256,214</b>	<b>\$260,635</b>

# Personnel

## Department Of Business Regulation Boards for Design Professionals

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Unclassified</b>					
ADMINISTRATIVE ASSISTANT	00823A	1.0	63,139	1.0	63,139
ADMINISTRATIVE SUPPORT SPECIALIST	00324A	1.0	58,388	1.0	60,209
<b>Subtotal</b>		<b>2.0</b>	<b>\$121,527</b>	<b>2.0</b>	<b>\$123,348</b>
<b>Total Salaries</b>		<b>2.0</b>	<b>\$121,527</b>	<b>2.0</b>	<b>\$123,348</b>
<b>Benefits</b>					
Payroll Accrual			695		705
FICA			9,297		9,436
Retiree Health			8,592		8,326
Health Benefits			22,947		24,803
Retirement			29,227		30,010
<b>Subtotal</b>			<b>\$70,758</b>		<b>\$73,280</b>
<b>Total Salaries and Benefits</b>		<b>2.0</b>	<b>\$192,285</b>	<b>2.0</b>	<b>\$196,628</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$96,143</b>		<b>\$98,314</b>
<b>Statewide Benefit Assessment</b>			<b>\$5,164</b>		<b>\$5,242</b>
<b>Payroll Costs</b>		<b>2.0</b>	<b>\$197,449</b>	<b>2.0</b>	<b>\$201,870</b>
<b>Purchased Services</b>					
Clerical and Temporary Services			1,200		1,200
<b>Subtotal</b>			<b>\$1,200</b>		<b>\$1,200</b>
<b>Total Personnel</b>		<b>2.0</b>	<b>\$198,649</b>	<b>2.0</b>	<b>\$203,070</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		2.0	\$198,649	2.0	\$203,070
<b>Total All Funds</b>		<b>2.0</b>	<b>\$198,649</b>	<b>2.0</b>	<b>\$203,070</b>



# Performance Measures

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## Department Of Business Regulation Boards for Design Professionals

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### *Timeliness of Complaint Resolution*

The figures below represent the average amount of time it takes the Boards for Design Professionals to resolve a complaint.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	360 Days	100 Days	100 Days
<b>Actual</b>	--	224 Days	147 Days	147 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

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### *Timeliness of License Issuance*

The figures below represent the average amount of time it takes the Boards for Design Professionals to issue a license.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	123 Days	45 Days	45 Days
<b>Actual</b>	--	57 Days	87 Days	88 Days	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

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# 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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	2012 Audited	2013 Audited	2014 Enacted	2014 Revised	2015 Recommend
<b>Expenditures By Subprogram</b>					
Operations	3,207,926	5,225,712	2,300,269	4,469,169	2,539,472
<b>Total Expenditures</b>	<b>\$3,207,926</b>	<b>\$5,225,712</b>	<b>\$2,300,269</b>	<b>\$4,469,169</b>	<b>\$2,539,472</b>
<b>Expenditures By Object</b>					
Personnel	3,108,080	5,150,369	2,256,381	2,864,940	2,509,176
Operating Supplies and Expenses	75,477	73,825	43,888	1,604,229	30,296
<b>Subtotal: Operating Expenditures</b>	<b>3,183,557</b>	<b>5,224,194</b>	<b>2,300,269</b>	<b>4,469,169</b>	<b>2,539,472</b>
Capital Purchases and Equipment	24,369	1,518	-	-	-
<b>Total Expenditures</b>	<b>\$3,207,926</b>	<b>\$5,225,712</b>	<b>\$2,300,269</b>	<b>\$4,469,169</b>	<b>\$2,539,472</b>
<b>Expenditures By Funds</b>					
General Revenue	481,330	522,504	542,180	500,175	507,142
Federal Funds	2,726,596	4,698,165	1,747,589	3,958,494	2,021,830
Restricted Receipts	-	5,043	10,500	10,500	10,500
<b>Total Expenditures</b>	<b>\$3,207,926</b>	<b>\$5,225,712</b>	<b>\$2,300,269</b>	<b>\$4,469,169</b>	<b>\$2,539,472</b>

# Personnel

## Department Of Business Regulation Office of Health Insurance Commissioner

	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<b>Unclassified</b>					
HEALTH INSURANCE COMMISSIONER	00854A	1.0	193,366	1.0	175,642
ASSOCIATE DIRECTOR FOR PLANNING, POLICY & EXECUTIVE ASSISTANT/CHIEF OF STAFF	00843A <sup>1</sup>	2.0	211,083	2.0	190,301
DEPUTY EXECUTIVE	00841A	1.0	102,020	1.0	106,736
PRINCIPAL POLICY ASSOCIATE	00837A <sup>3</sup>	4.0	314,082	4.0	264,863
SPECIAL PROJECTS COORDINATOR	00829A	1.0	68,907	1.0	69,180
PROGRAM MANAGER	00828A	1.0	64,416	1.0	66,489
ADMINISTRATIVE OFFICER	00822A	1.0	45,825	1.0	47,264
EXECUTIVE DIRECTOR	00736A <sup>2</sup>	1.0	73,677	1.0	161,304
<b>Subtotal</b>		<b>13.0</b>	<b>\$1,179,522</b>	<b>13.0</b>	<b>\$1,187,925</b>
Interdepartmental Transfer		-	(54,715)	-	(103,506)
Turnover		-	(291,208)	-	(77,810)
<b>Subtotal</b>		<b>-</b>	<b>(\$345,923)</b>	<b>-</b>	<b>(\$181,316)</b>
<b>Total Salaries</b>		<b>13.0</b>	<b>\$833,599</b>	<b>13.0</b>	<b>\$1,006,609</b>
<b>Benefits</b>					
Payroll Accrual			4,768		5,756
FICA			63,768		77,003
Retiree Health			58,937		69,047
Health Benefits			97,046		144,008
Retirement			200,483		243,946
<b>Subtotal</b>			<b>\$425,002</b>		<b>\$539,760</b>
<b>Total Salaries and Benefits</b>		<b>13.0</b>	<b>\$1,258,601</b>	<b>13.0</b>	<b>\$1,546,369</b>
<b>Cost Per FTE Position (Excluding Temporary and Seasonal)</b>			<b>\$96,815</b>		<b>\$118,951</b>
<b>Statewide Benefit Assessment</b>			<b>\$35,427</b>		<b>\$42,782</b>
<b>Payroll Costs</b>		<b>13.0</b>	<b>\$1,294,028</b>	<b>13.0</b>	<b>\$1,589,151</b>
<b>Purchased Services</b>					
Management & Consultant Services			1,570,912		920,025
<b>Subtotal</b>			<b>\$1,570,912</b>		<b>\$920,025</b>
<b>Total Personnel</b>		<b>13.0</b>	<b>\$2,864,940</b>	<b>13.0</b>	<b>\$2,509,176</b>
<b>Distribution By Source Of Funds</b>					
General Revenue		3.0	\$486,267	3.0	\$493,932
Federal Funds		10.0	\$2,378,673	10.0	\$2,015,244
<b>Total All Funds</b>		<b>13.0</b>	<b>\$2,864,940</b>	<b>13.0</b>	<b>\$2,509,176</b>

# Personnel

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## Department Of Business Regulation Office of Health Insurance Commissioner

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	Grade	FY 2014		FY 2015	
		FTE	Cost	FTE	Cost
<i>1 Fifty percent of 1.0 FTE position funded by a federal grant under the Rhode Island Health Exchange housed at the Department of Administration. The other position is part of the FTE authorization cap increase for Rate Review Cycle III federal grant.</i>					
<i>2 FTE authorization cap is increased by 4.0 FTE positions to accommodate new Rate Review Cycle III federal grant.</i>					
<i>3 FTE authorization cap is increased by 4.0 FTE positions to accommodate new Rate Review Cycle III federal grant.</i>					

# Performance Measures

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## Department Of Business Regulation Office of Health Insurance Commissioner

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### *Complaints in Queue*

In support of its legislative mandate to protect consumers, OHIC measures the number of consumer health insurance complaints it receives that are in its queue for a response. OHIC's focus is on tracking and reporting complaints, so an increasing number of reported claims may reflect improvement. The figures below represent the number of health insurance complaints in queue.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	65	65	60
<b>Actual</b>	45	63	55	38	--

Performance for this measure is reported by state fiscal year and is current as of 9/30/2013.

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### *Small Business Premium Rate Increases*

OHIC annually reviews and approves rates of increase in commercial premiums. This review supports OHIC's charge to balance insurance affordability and insurer solvency. The measure focuses on rates of increase for small groups (fewer than 50 employees) because they often have higher rates of increase than large employers and are more vulnerable to changes in their cost structure. OHIC has begun monitoring how closely the effective rates of increase track the approved rates, which will significantly improve future performance data monitoring. The figures below represent the average percentage increase in small business health insurance premiums.

	2011	2012	2013	2014	2015
<b>Target</b>	--	--	--	\$368.55	\$390.67
<b>Actual</b>	--	--	\$347.69	--	--

Performance for this measure is reported by state fiscal year and is current as of 6/30/2013.

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