

State of Rhode Island and Providence Plantations

Budget



Fiscal Year 2016

Volume I – General Government and Quasi-Public Agencies

Gina M. Raimondo, Governor

Agency

Department Of Business Regulation

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.

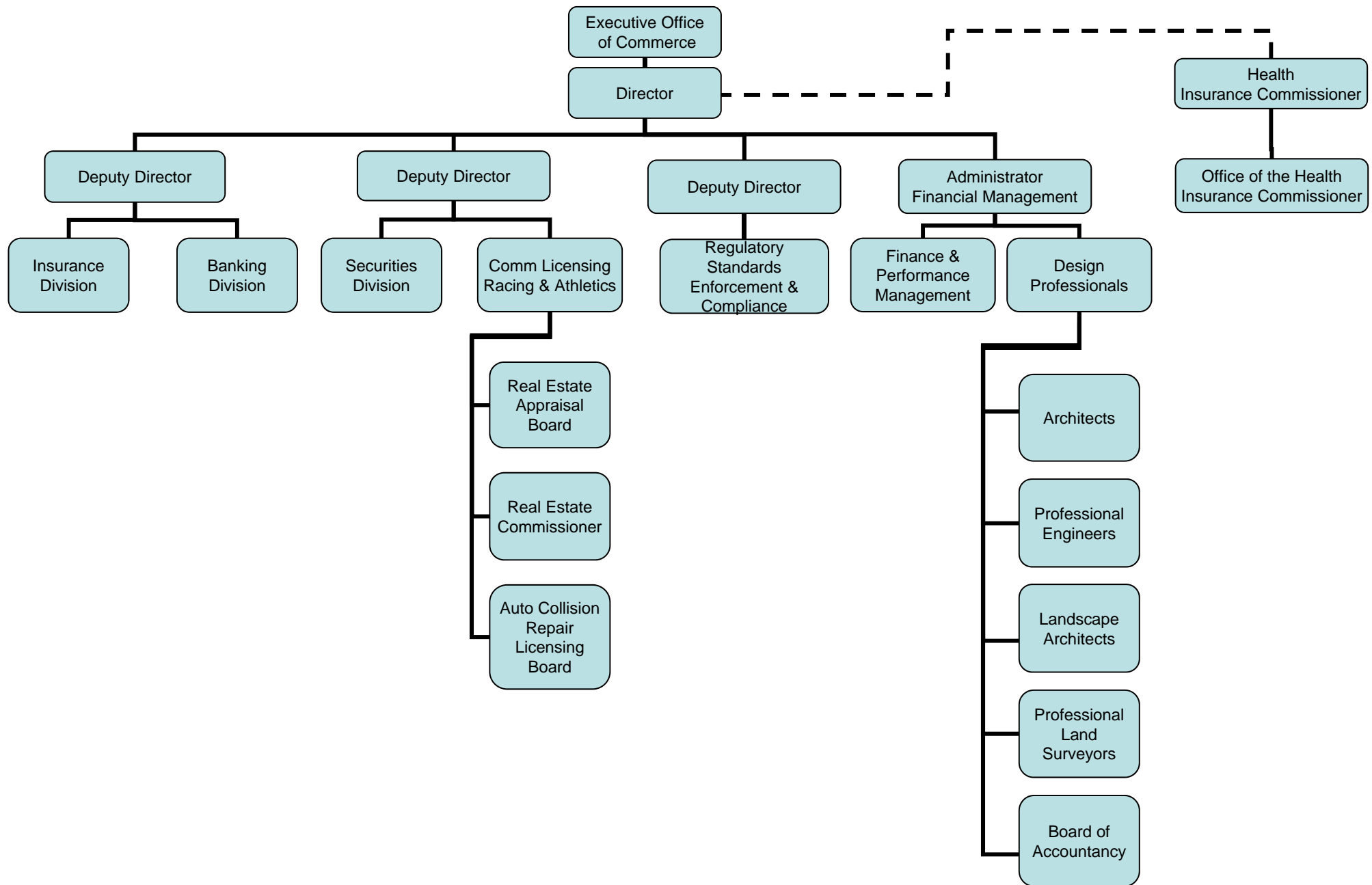
Budget

Department Of Business Regulation

| | FY 2013 Audited | FY 2014 Audited | FY 2015 Enacted | FY 2015 Revised | FY 2016 Recommend |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| Expenditures By Program | | | | | |
| Central Management | 1,142,117 | 1,220,052 | 1,234,949 | 1,189,523 | 1,435,289 |
| Banking Regulation | 1,461,945 | 1,495,464 | 1,564,260 | 1,660,454 | 1,711,773 |
| Securities Regulation | 893,842 | 830,288 | 1,013,151 | 929,761 | 966,197 |
| Insurance Regulation | 4,666,483 | 4,858,147 | 5,177,250 | 5,621,771 | 5,763,467 |
| Board of Accountancy | 49,615 | 5,037 | 16,654 | 16,654 | 16,654 |
| Commercial Licensing, Racing & Athletics | 1,012,938 | 1,043,749 | 1,170,059 | 1,192,450 | 1,220,883 |
| Boards for Design Professionals | 254,646 | 253,105 | 260,635 | 264,810 | 273,009 |
| Office of Health Insurance Commissioner | 5,225,712 | 2,543,384 | 2,539,472 | 2,941,922 | 3,341,757 |
| Total Expenditures | \$14,707,298 | \$12,249,226 | \$12,976,430 | \$13,817,345 | \$14,729,029 |
| Expenditures By Object | | | | | |
| Personnel | 14,191,075 | 11,860,165 | 12,451,564 | 13,236,563 | 14,114,003 |
| Operating Supplies and Expenses | 445,534 | 364,027 | 431,128 | 487,044 | 521,288 |
| Assistance and Grants | - | - | 80,000 | 80,000 | 80,000 |
| Subtotal: Operating Expenditures | 14,636,609 | 12,224,192 | 12,962,692 | 13,803,607 | 14,715,291 |
| Capital Purchases and Equipment | 70,689 | 25,034 | 13,738 | 13,738 | 13,738 |
| Total Expenditures | \$14,707,298 | \$12,249,226 | \$12,976,430 | \$13,817,345 | \$14,729,029 |
| Expenditures By Funds | | | | | |
| General Revenue | 8,610,843 | 8,526,389 | 9,013,477 | 8,802,653 | 9,345,012 |
| Federal Funds | 4,698,165 | 2,038,842 | 2,021,830 | 2,469,508 | 2,795,240 |
| Restricted Receipts | 1,398,290 | 1,683,995 | 1,941,123 | 2,545,184 | 2,588,777 |
| Total Expenditures | \$14,707,298 | \$12,249,226 | \$12,976,430 | \$13,817,345 | \$14,729,029 |
| FTE Authorization | 94.0 | 94.0 | 94.0 | 98.0 | 99.0 |

The Agency

Department of Business Regulation



Personnel

Department Of Business Regulation Agency Summary

| | Grade | FY 2015 | | FY 2016 | |
|---|-------|-------------|---------------------|-------------|---------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | 79.0 | 5,660,954 | 80.0 | 5,829,501 |
| Unclassified | | 19.0 | 1,609,989 | 19.0 | 1,673,149 |
| Subtotal | | 98.0 | \$7,270,943 | 99.0 | \$7,502,650 |
| Temporary and Seasonal | | - | 43,341 | - | 43,974 |
| Turnover | | - | (\$683,983) | - | (\$536,386) |
| Subtotal | | - | (\$640,642) | - | (\$492,412) |
| Total Salaries | | 98.0 | \$6,630,301 | 99.0 | \$7,010,238 |
| Benefits | | | | | |
| Payroll Accrual | | | 37,661 | | 39,951 |
| FICA | | | 500,605 | | 532,582 |
| Retiree Health | | | 444,624 | | 422,859 |
| Health Benefits | | | 986,538 | | 1,121,030 |
| Retirement | | | 1,602,612 | | 1,725,695 |
| Subtotal | | | \$3,572,040 | | \$3,842,117 |
| Total Salaries and Benefits | | 98.0 | \$10,202,341 | 99.0 | \$10,852,355 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$103,663 | | \$109,176 |
| Statewide Benefit Assessment | | | \$283,237 | | \$301,331 |
| Payroll Costs | | 98.0 | \$10,485,578 | 99.0 | \$11,153,686 |
| Purchased Services | | | | | |
| Clerical and Temporary Services | | | 2,760 | | 2,760 |
| Management & Consultant Services | | | 2,724,400 | | 2,933,732 |
| Legal Services | | | 9,333 | | 9,333 |
| Other Contracts | | | 4,492 | | 4,492 |
| Training and Educational Services | | | 10,000 | | 10,000 |
| Subtotal | | | \$2,750,985 | | \$2,960,317 |
| Total Personnel | | 98.0 | \$13,236,563 | 99.0 | \$14,114,003 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 82.1 | \$8,579,893 | 83.1 | \$9,030,517 |
| Federal Funds | | 10.0 | \$2,394,706 | 10.0 | \$2,778,929 |
| Restricted Receipts | | 5.9 | \$2,261,964 | 5.9 | \$2,304,557 |
| Total All Funds | | 98.0 | \$13,236,563 | 99.0 | \$14,114,003 |

The Program

Department Of Business Regulation Central Management

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 and approve or disapprove rates; and acts as receiver in case of insolvency of certain regulated entities.

The Director or his/her designee may be a member of various occupational licensing boards and commissions assigned to the department by the legislature in order to assist in the administration and regulation of licensing programs. The Director is also a member of such diverse administrative bodies such 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

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 1,142,117 | 1,220,052 | 1,234,949 | 1,189,523 | 1,435,289 |
| Total Expenditures | \$1,142,117 | \$1,220,052 | \$1,234,949 | \$1,189,523 | \$1,435,289 |
| Expenditures By Object | | | | | |
| Personnel | 1,084,464 | 1,185,016 | 1,199,975 | 1,154,549 | 1,308,305 |
| Operating Supplies and Expenses | 47,875 | 32,404 | 32,937 | 32,937 | 124,947 |
| Subtotal: Operating Expenditures | 1,132,339 | 1,217,420 | 1,232,912 | 1,187,486 | 1,433,252 |
| Capital Purchases and Equipment | 9,778 | 2,632 | 2,037 | 2,037 | 2,037 |
| Total Expenditures | \$1,142,117 | \$1,220,052 | \$1,234,949 | \$1,189,523 | \$1,435,289 |
| Expenditures By Funds | | | | | |
| General Revenue | 1,142,117 | 1,220,052 | 1,234,949 | 1,189,523 | 1,435,289 |
| Total Expenditures | \$1,142,117 | \$1,220,052 | \$1,234,949 | \$1,189,523 | \$1,435,289 |

Personnel

Department Of Business Regulation Central Management

| | Grade | FY 2015 | | FY 2016 | |
|---|---------------------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | | | | |
| DEPUTY DIRECTOR DEPARTMENT OF BUSINESS | 00144A | 1.0 | 133,546 | 1.0 | 100,843 |
| CHIEF OF LEGAL SERVICES | 00139A | 1.0 | 105,410 | 1.0 | 102,141 |
| DEPUTY CHIEF OF LEGAL SERVICES | 00137A | 1.0 | 97,838 | 1.0 | 99,795 |
| ADMINISTRATOR, FINANCIAL MANAGEMENT | 00137A | 1.0 | 93,852 | 1.0 | 95,638 |
| LEGAL COUNSEL | 00132A | 1.0 | 65,635 | 1.0 | 71,396 |
| SYSTEMS ANALYST | 00124A | 1.0 | 62,491 | 1.0 | 63,729 |
| CHIEF LICENSING EXAMINER-DIVISION OF COMM | 00133A | 1.0 | 75,039 | 1.0 | 80,621 |
| PROGRAMMING SERVICES OFFICER | 00131A ¹ | - | - | 1.0 | 71,278 |
| Subtotal | | 7.0 | \$633,811 | 8.0 | \$685,441 |
| Unclassified | | | | | |
| DIRECTOR, DEPARTMENT OF BUSINESS | 00945KF | 1.0 | 101,598 | 1.0 | 101,598 |
| PROJECT COORDINATOR | 00826A | 1.0 | 74,645 | 1.0 | 76,069 |
| EXECUTIVE SECRETARY | 00819A | 1.0 | 43,653 | 1.0 | 45,948 |
| Subtotal | | 3.0 | \$219,896 | 3.0 | \$223,615 |
| Turnover | | - | (126,269) | - | (100,843) |
| Subtotal | | - | (\$126,269) | - | (\$100,843) |
| Total Salaries | | 10.0 | \$727,438 | 11.0 | \$808,213 |
| Benefits | | | | | |
| Payroll Accrual | | | 4,159 | | 4,910 |
| FICA | | | 54,838 | | 65,068 |
| Retiree Health | | | 49,104 | | 52,670 |
| Health Benefits | | | 107,293 | | 125,194 |
| Retirement | | | 176,985 | | 211,770 |
| Subtotal | | | \$392,379 | | \$459,612 |
| Total Salaries and Benefits | | 10.0 | \$1,119,817 | 11.0 | \$1,267,825 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$111,982 | | \$115,257 |
| Statewide Benefit Assessment | | | \$31,280 | | \$37,028 |
| Payroll Costs | | 10.0 | \$1,151,097 | 11.0 | \$1,304,853 |
| Purchased Services | | | | | |
| Other Contracts | | | 3,452 | | 3,452 |
| Subtotal | | | \$3,452 | | \$3,452 |
| Total Personnel | | 10.0 | \$1,154,549 | 11.0 | \$1,308,305 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 10.0 | \$1,154,549 | 11.0 | \$1,308,305 |
| Total All Funds | | 10.0 | \$1,154,549 | 11.0 | \$1,308,305 |

¹ Transfer from the Office of Management and Budget in the Department of Administration.

Performance Measures

Department Of Business Regulation Central Management

Online License Issuance

The eLicensing (elicensing.ri.gov) system allows DBR to expedite processing of license transactions by eliminating paper forms and improving accuracy. This 24-hour service was expanded in 2013 to include additional categories of professional licenses. The figures below represent the percentage of DBR-issued licenses which are issued through the eLicensing system. Data is reported annually.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|--------|--------|--------|------|------|
| Target | -- | 95% | 95% | 95% | 95% |
| Actual | 93.21% | 91.79% | 93.62% | -- | -- |

Performance for this measure is reported by state fiscal year.

Department Rules & Regulations Reviewed

In FY 2013, the Department of Business Regulation (DBR) began performing an updated review process to provide for a more thorough and in-depth examination of the agency's 155 rules and regulations. These comprehensive reviews require considerable scrutiny and focus, and have led to new measure objectives. The figures below represent the percentage of departmental rules and regulations reviewed over the course of the fiscal year.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|------|-------|------|------|
| Target | 100% | 25% | 25% | 25% | 25% |
| Actual | 100% | 25% | 29.7% | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Banking Regulation

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

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 1,461,945 | 1,495,464 | 1,564,260 | 1,660,454 | 1,711,773 |
| Total Expenditures | \$1,461,945 | \$1,495,464 | \$1,564,260 | \$1,660,454 | \$1,711,773 |
| Expenditures By Object | | | | | |
| Personnel | 1,404,533 | 1,423,477 | 1,497,372 | 1,606,566 | 1,657,885 |
| Operating Supplies and Expenses | 51,105 | 70,259 | 61,888 | 48,888 | 48,888 |
| Subtotal: Operating Expenditures | 1,455,638 | 1,493,736 | 1,559,260 | 1,655,454 | 1,706,773 |
| Capital Purchases and Equipment | 6,307 | 1,728 | 5,000 | 5,000 | 5,000 |
| Total Expenditures | \$1,461,945 | \$1,495,464 | \$1,564,260 | \$1,660,454 | \$1,711,773 |
| Expenditures By Funds | | | | | |
| General Revenue | 1,440,656 | 1,437,465 | 1,514,260 | 1,623,454 | 1,674,773 |
| Restricted Receipts | 21,289 | 57,999 | 50,000 | 37,000 | 37,000 |
| Total Expenditures | \$1,461,945 | \$1,495,464 | \$1,564,260 | \$1,660,454 | \$1,711,773 |

Personnel

Department Of Business Regulation Banking Regulation

| | Grade | FY 2015 | | FY 2016 | |
|---|--------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | | | | |
| ASSISTANT SUPERVISOR OF EXAMINATIONS | 0AB35A | 4.0 | 390,733 | 4.0 | 398,195 |
| SUPERVISOR OF EXAMINATIONS | 0AB37A | 1.0 | 96,908 | 1.0 | 98,784 |
| STATE CHIEF BANK EXAMINER | 00139A | 1.0 | 80,763 | 1.0 | 80,763 |
| PRINCIPAL BANK EXAMINER | 0AB31A | 2.0 | 156,832 | 2.0 | 159,867 |
| SENIOR BANK EXAMINER | 0AB28A | 2.0 | 116,559 | 2.0 | 121,134 |
| BANK EXAMINER | 0AB24A | 4.0 | 194,361 | 4.0 | 202,891 |
| LICENSING AIDE | 0AB15A | 1.0 | 44,499 | 1.0 | 45,389 |
| Subtotal | | 15.0 | \$1,080,655 | 15.0 | \$1,107,023 |
| Turnover | | - | (80,763) | - | (80,763) |
| Subtotal | | - | (\$80,763) | - | (\$80,763) |
| Total Salaries | | 15.0 | \$999,892 | 15.0 | \$1,026,260 |
| Benefits | | | | | |
| Payroll Accrual | | | 5,721 | | 5,854 |
| FICA | | | 76,492 | | 78,507 |
| Retiree Health | | | 67,492 | | 61,573 |
| Health Benefits | | | 169,341 | | 187,334 |
| Retirement | | | 243,273 | | 252,869 |
| Subtotal | | | \$562,319 | | \$586,137 |
| Total Salaries and Benefits | | 15.0 | \$1,562,211 | 15.0 | \$1,612,397 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$104,147 | | \$107,493 |
| Statewide Benefit Assessment | | | \$42,995 | | \$44,128 |
| Payroll Costs | | 15.0 | \$1,605,206 | 15.0 | \$1,656,525 |
| Purchased Services | | | | | |
| Clerical and Temporary Services | | | 720 | | 720 |
| Other Contracts | | | 640 | | 640 |
| Subtotal | | | \$1,360 | | \$1,360 |
| Total Personnel | | 15.0 | \$1,606,566 | 15.0 | \$1,657,885 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 15.0 | \$1,606,566 | 15.0 | \$1,657,885 |
| Total All Funds | | 15.0 | \$1,606,566 | 15.0 | \$1,657,885 |

Performance Measures

Department Of Business Regulation Banking Regulation

Timeliness of Complaint Resolution

The Division of Banking is responsible for investigating and resolving consumer complaints and inquiries regarding the businesses it oversees. The figures below represent the average amount of time it takes the Banking Division to resolve a complaint.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|----------|---------|---------|---------|
| Target | -- | 360 Days | 60 Days | 30 Days | 30 Days |
| Actual | -- | 21 Days | 25 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Securities Regulation

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

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 893,842 | 830,288 | 1,013,151 | 929,761 | 966,197 |
| Total Expenditures | \$893,842 | \$830,288 | \$1,013,151 | \$929,761 | \$966,197 |
| Expenditures By Object | | | | | |
| Personnel | 873,741 | 814,393 | 995,010 | 911,620 | 948,056 |
| Operating Supplies and Expenses | 16,475 | 13,352 | 18,141 | 18,141 | 18,141 |
| Subtotal: Operating Expenditures | 890,216 | 827,745 | 1,013,151 | 929,761 | 966,197 |
| Capital Purchases and Equipment | 3,626 | 2,543 | - | - | - |
| Total Expenditures | \$893,842 | \$830,288 | \$1,013,151 | \$929,761 | \$966,197 |
| Expenditures By Funds | | | | | |
| General Revenue | 895,420 | 828,132 | 1,009,651 | 926,261 | 962,697 |
| Restricted Receipts | (1,578) | 2,156 | 3,500 | 3,500 | 3,500 |
| Total Expenditures | \$893,842 | \$830,288 | \$1,013,151 | \$929,761 | \$966,197 |

Personnel

Department Of Business Regulation Securities Regulation

| | Grade | FY 2015 | | FY 2016 | |
|---|--------|-------------|-------------------|-------------|-------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | | | | |
| DEPUTY DIRECTOR DEPARTMENT OF BUSINESS | 00144A | 1.0 | 134,214 | 1.0 | 136,898 |
| CHIEF SECURITIES EXAMINER | 00137A | 1.0 | 89,330 | 1.0 | 91,117 |
| PRINCIPAL SECURITIES EXAMINER | 0AB31A | 1.0 | 71,596 | 1.0 | 73,027 |
| SENIOR SECURITIES EXAMINER | 0AB28A | 1.0 | 66,661 | 1.0 | 67,994 |
| SECURITIES EXAMINER | 0AB24A | 3.0 | 151,092 | 3.0 | 160,214 |
| SYSTEMS ANALYST | 0AB24A | 1.0 | 46,197 | 1.0 | 48,603 |
| ASSISTANT ADMINISTRATIVE OFFICER | 0AB21A | 1.0 | 41,172 | 1.0 | 41,995 |
| LICENSING AIDE | 0AB15A | 1.0 | 35,756 | 1.0 | 36,471 |
| Subtotal | | 10.0 | \$636,018 | 10.0 | \$656,319 |
| Turnover | | - | (76,928) | - | (78,251) |
| Subtotal | | - | (\$76,928) | - | (\$78,251) |
| Total Salaries | | 10.0 | \$559,090 | 10.0 | \$578,068 |
| Benefits | | | | | |
| Payroll Accrual | | | 3,195 | | 3,295 |
| FICA | | | 41,919 | | 43,429 |
| Retiree Health | | | 37,739 | | 34,685 |
| Health Benefits | | | 109,609 | | 121,284 |
| Retirement | | | 136,028 | | 142,437 |
| Subtotal | | | \$328,490 | | \$345,130 |
| Total Salaries and Benefits | | 10.0 | \$887,580 | 10.0 | \$923,198 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$88,758 | | \$92,320 |
| Statewide Benefit Assessment | | | \$24,040 | | \$24,858 |
| Payroll Costs | | 10.0 | \$911,620 | 10.0 | \$948,056 |
| Total Personnel | | 10.0 | \$911,620 | 10.0 | \$948,056 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 10.0 | \$911,620 | 10.0 | \$948,056 |
| Total All Funds | | 10.0 | \$911,620 | 10.0 | \$948,056 |

Performance Measures

Department Of Business Regulation Securities Regulation

Timeliness of Complaint Resolution

The Division of Securities Regulation is responsible for investigating and resolving consumer complaints and inquiries regarding the businesses it oversees. The figures below represent the average amount of time it takes the Securities Division to resolve a complaint.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|----------|---------|---------|---------|
| Target | -- | 360 Days | 50 Days | 30 Days | 30 Days |
| Actual | -- | 94 Days | 8 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Timeliness of License Issuance

The Division of Securities Regulation is responsible for the registration of certain securities, the licensing and regulation of sales representatives, certain investment advisers, and certain investment adviser representatives. The figures below represent the average amount of time it takes the Securities Division to issue a license.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|---------|---------|---------|---------|---------|
| Target | -- | 14 Days | 10 Days | 20 Days | 20 Days |
| Actual | 10 Days | 11 Days | 34 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Examination Closure

Securities Regulation examinations help ensure 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. 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 were closed within the scheduled timeframe.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|------|--------|------|------|
| Target | -- | -- | 95% | 95% | 95% |
| Actual | 100% | 100% | 72.13% | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Insurance Regulation

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

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 4,666,483 | 4,858,147 | 5,177,250 | 5,621,771 | 5,763,467 |
| Total Expenditures | \$4,666,483 | \$4,858,147 | \$5,177,250 | \$5,621,771 | \$5,763,467 |
| Expenditures By Object | | | | | |
| Personnel | 4,483,763 | 4,712,308 | 5,030,878 | 5,475,399 | 5,617,095 |
| Operating Supplies and Expenses | 142,378 | 136,451 | 142,872 | 142,872 | 142,872 |
| Subtotal: Operating Expenditures | 4,626,141 | 4,848,759 | 5,173,750 | 5,618,271 | 5,759,967 |
| Capital Purchases and Equipment | 40,342 | 9,388 | 3,500 | 3,500 | 3,500 |
| Total Expenditures | \$4,666,483 | \$4,858,147 | \$5,177,250 | \$5,621,771 | \$5,763,467 |
| Expenditures By Funds | | | | | |
| General Revenue | 3,622,967 | 3,682,416 | 3,883,238 | 3,773,458 | 3,885,752 |
| Restricted Receipts | 1,043,516 | 1,175,731 | 1,294,012 | 1,848,313 | 1,877,715 |
| Total Expenditures | \$4,666,483 | \$4,858,147 | \$5,177,250 | \$5,621,771 | \$5,763,467 |

Personnel

Department Of Business Regulation Insurance Regulation

| | Grade | FY 2015 | | FY 2016 | |
|---|--------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | | | | |
| DEPUTY DIRECTOR DEPARTMENT OF BUSINESS | 00144A | 1.0 | 139,379 | 1.0 | 142,121 |
| CHIEF INSURANCE EXAMINER | 00139A | 1.0 | 111,256 | 1.0 | 113,441 |
| ASSOCIATE DIRECTOR AND SUPERINTENDENT OF | 00141A | 3.0 | 332,278 | 3.0 | 338,763 |
| INSURANCE EXAMINER-IN-CHARGE | 0AB36A | 7.0 | 698,974 | 7.0 | 712,312 |
| PRINCIPAL INSURANCE EXAMINER | 0AB31A | 1.0 | 77,564 | 1.0 | 78,996 |
| MARKET CONDUCT EXAMINER IN CHARGE | 0AB36A | 1.0 | 73,043 | 1.0 | 74,504 |
| PRINCIPAL INSURANCE ANALYST | 0AB31A | 2.0 | 144,931 | 2.0 | 150,019 |
| SENIOR INSURANCE EXAMINER | 0AB28A | 4.0 | 274,426 | 4.0 | 279,717 |
| SENIOR MARKET CONDUCT EXAMINER | 0AB28A | 2.0 | 133,275 | 2.0 | 138,357 |
| ADMINISTRATIVE OFFICER | 0AB24A | 1.0 | 62,371 | 1.0 | 63,611 |
| SENIOR INSURANCE ANALYST | 0AB28A | 3.0 | 166,889 | 3.0 | 172,257 |
| ASSISTANT ADMINISTRATIVE OFFICER | 00121A | 1.0 | 64,821 | 1.0 | 57,214 |
| INSURANCE EXAMINER | 0AB24A | 4.0 | 196,263 | 4.0 | 204,264 |
| CLERK SECRETARY | 0AB16A | 1.0 | 47,536 | 1.0 | 48,487 |
| INSURANCE ANALYST | 0AB24A | 1.0 | 45,071 | 1.0 | 45,972 |
| LICENSING AIDE | 0AB15A | 3.0 | 126,796 | 3.0 | 129,287 |
| Subtotal | | 36.0 | \$2,694,873 | 36.0 | \$2,749,322 |
| Unclassified | | | | | |
| ACCOUNTANT | 00818A | 1.0 | 48,958 | 1.0 | 49,937 |
| Subtotal | | 1.0 | \$48,958 | 1.0 | \$49,937 |
| Turnover | | - | (281,108) | - | (276,529) |
| Subtotal | | - | (\$281,108) | - | (\$276,529) |
| Total Salaries | | 37.0 | \$2,462,723 | 37.0 | \$2,522,730 |
| Benefits | | | | | |
| Payroll Accrual | | | 14,087 | | 14,386 |
| FICA | | | 187,230 | | 191,870 |
| Retiree Health | | | 166,236 | | 151,361 |
| Health Benefits | | | 352,993 | | 389,625 |
| Retirement | | | 599,186 | | 621,598 |
| Subtotal | | | \$1,319,732 | | \$1,368,840 |
| Total Salaries and Benefits | | 37.0 | \$3,782,455 | 37.0 | \$3,891,570 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$102,229 | | \$105,178 |
| Statewide Benefit Assessment | | | \$105,896 | | \$108,477 |
| Payroll Costs | | 37.0 | \$3,888,351 | 37.0 | \$4,000,047 |

Personnel

Department Of Business Regulation Insurance Regulation

| | Grade | FY 2015 | | FY 2016 | |
|--|-------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Purchased Services | | | | | |
| Clerical and Temporary Services | | | 200 | | 200 |
| Management & Consultant Services | | | 1,574,400 | | 1,604,400 |
| Legal Services | | | 2,448 | | 2,448 |
| Training and Educational Services | | | 10,000 | | 10,000 |
| Subtotal | | | \$1,587,048 | | \$1,617,048 |
| Total Personnel | | 37.0 | \$5,475,399 | 37.0 | \$5,617,095 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 35.1 | \$3,703,646 | 35.1 | \$3,815,940 |
| Restricted Receipts | | 1.9 | \$1,771,753 | 1.9 | \$1,801,155 |
| Total All Funds | | 37.0 | \$5,475,399 | 37.0 | \$5,617,095 |

Performance Measures

Department Of Business Regulation Insurance Regulation

Timeliness of Complaint Resolution

The Division of Securities Regulation is responsible for investigating and resolving consumer complaints and inquiries regarding the businesses it oversees. The figures below represent the average amount of time it takes the Insurance Division to resolve a complaint.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|----------|---------|---------|---------|
| Target | -- | 360 Days | 60 Days | 60 Days | 60 Days |
| Actual | -- | 2 Days | 38 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Timeliness of License Issuance

The Division of Insurance Regulation licenses insurance companies as well as individuals and business entities involved in insurance sales and administration, claims adjustment, and motor vehicle damage appraisal. The figures below represent the average amount of time it takes the Insurance Division to issue a license.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|---------|---------|---------|---------|---------|
| Target | -- | 18 Days | 10 Days | 10 Days | 10 Days |
| Actual | 10 Days | 14 Days | 6 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Examination Closure

The Division of Insurance Regulation performs financial and market conduct examinations of companies chartered in Rhode Island to ensure financial solvency, fair treatment of consumers, and statutory and regulatory compliance. Timeliness of completion can depend on the size and complexity of the company under review. The figures below represent the percentage of examinations conducted by the Insurance Division that were closed within the scheduled timeframe.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|------|------|------|------|
| Target | -- | -- | 80% | 80% | 80% |
| Actual | 67% | 79% | 69% | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Board of Accountancy

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

Department Of Business Regulation Board of Accountancy

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|-----------------|-----------------|-----------------|-----------------|-------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 49,615 | 5,037 | 16,654 | 16,654 | 16,654 |
| Total Expenditures | \$49,615 | \$5,037 | \$16,654 | \$16,654 | \$16,654 |
| Expenditures By Object | | | | | |
| Personnel | 42,398 | - | 6,885 | 6,885 | 6,885 |
| Operating Supplies and Expenses | 6,126 | 5,037 | 9,769 | 9,769 | 9,769 |
| Subtotal: Operating Expenditures | 48,524 | 5,037 | 16,654 | 16,654 | 16,654 |
| Capital Purchases and Equipment | 1,091 | - | - | - | - |
| Total Expenditures | \$49,615 | \$5,037 | \$16,654 | \$16,654 | \$16,654 |
| Expenditures By Funds | | | | | |
| General Revenue | 49,615 | 5,037 | 16,654 | 16,654 | 16,654 |
| Total Expenditures | \$49,615 | \$5,037 | \$16,654 | \$16,654 | \$16,654 |

The Program

Department Of Business Regulation Commercial Licensing, Racing & Athletics

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, 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, upholsterers, 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. §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.

The Budget

Department Of Business Regulation Commercial Licensing, Racing & Athletics

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 1,012,938 | 1,043,749 | 1,170,059 | 1,192,450 | 1,220,883 |
| Total Expenditures | \$1,012,938 | \$1,043,749 | \$1,170,059 | \$1,192,450 | \$1,220,883 |
| Expenditures By Object | | | | | |
| Personnel | 958,936 | 986,460 | 1,009,198 | 1,030,889 | 1,059,597 |
| Operating Supplies and Expenses | 46,987 | 53,260 | 77,660 | 78,360 | 78,085 |
| Assistance and Grants | - | - | 80,000 | 80,000 | 80,000 |
| Subtotal: Operating Expenditures | 1,005,923 | 1,039,720 | 1,166,858 | 1,189,249 | 1,217,682 |
| Capital Purchases and Equipment | 7,015 | 4,029 | 3,201 | 3,201 | 3,201 |
| Total Expenditures | \$1,012,938 | \$1,043,749 | \$1,170,059 | \$1,192,450 | \$1,220,883 |
| Expenditures By Funds | | | | | |
| General Revenue | 682,918 | 598,514 | 586,948 | 546,579 | 561,821 |
| Restricted Receipts | 330,020 | 445,235 | 583,111 | 645,871 | 659,062 |
| Total Expenditures | \$1,012,938 | \$1,043,749 | \$1,170,059 | \$1,192,450 | \$1,220,883 |

Personnel

Department Of Business Regulation Commercial Licensing, Racing & Athletics

| | Grade | FY 2015 | | FY 2016 | |
|---|--------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Classified | | | | | |
| ADMINISTRATOR REAL ESTATE | 00135A | 1.0 | 90,810 | 1.0 | 92,553 |
| CHIEF LICENSING EXAMINER-RACING & | 00133A | 1.0 | 77,193 | 1.0 | 78,737 |
| CHIEF PUBLIC PROTECTION INSPECTOR | 0AB32A | 1.0 | 74,391 | 1.0 | 75,879 |
| IMPLEMENTATION AIDE | 0AB22A | 1.0 | 56,219 | 1.0 | 57,344 |
| PARI-MUTUAL OPERATIONS SPECIALIST | 03726A | 2.0 | 101,600 | 2.0 | 105,196 |
| LIQUOR CONTROL INVESTIGATOR | 0AB18A | 1.0 | 50,983 | 1.0 | 51,992 |
| LICENSING AIDE | 0AB15A | 4.0 | 164,401 | 4.0 | 169,695 |
| Subtotal | | 11.0 | \$615,597 | 11.0 | \$631,396 |
| Temporary and Seasonal | | - | 43,341 | - | 43,974 |
| Subtotal | | - | \$43,341 | - | \$43,974 |
| Total Salaries | | 11.0 | \$658,938 | 11.0 | \$675,370 |
| Benefits | | | | | |
| Payroll Accrual | | | 3,524 | | 3,602 |
| FICA | | | 50,406 | | 51,664 |
| Retiree Health | | | 41,553 | | 37,884 |
| Health Benefits | | | 99,185 | | 107,311 |
| Retirement | | | 149,774 | | 155,575 |
| Subtotal | | | \$344,442 | | \$356,036 |
| Total Salaries and Benefits | | 11.0 | \$1,003,380 | 11.0 | \$1,031,406 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$87,276 | | \$89,767 |
| Statewide Benefit Assessment | | | \$26,469 | | \$27,151 |
| Payroll Costs | | 11.0 | \$1,029,849 | 11.0 | \$1,058,557 |
| Purchased Services | | | | | |
| Clerical and Temporary Services | | | 640 | | 640 |
| Other Contracts | | | 400 | | 400 |
| Subtotal | | | \$1,040 | | \$1,040 |
| Total Personnel | | 11.0 | \$1,030,889 | 11.0 | \$1,059,597 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 7.0 | \$540,678 | 7.0 | \$556,195 |
| Restricted Receipts | | 4.0 | \$490,211 | 4.0 | \$503,402 |
| Total All Funds | | 11.0 | \$1,030,889 | 11.0 | \$1,059,597 |

Performance Measures

Department Of Business Regulation Commercial Licensing, Racing & Athletics

Timeliness of Complaint Resolution

The Division of Commercial Licensing and Racing and Athletics is responsible for investigating and resolving consumer complaints and inquiries regarding the businesses it oversees. The figures below represent the average amount of time it takes the Commercial Licensing, Racing & Athletics Division to resolve a complaint.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|----------|----------|---------|---------|---------|
| Target | -- | 360 Days | 50 Days | 30 Days | 30 Days |
| Actual | 193 Days | 72 Days | 14 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Timeliness of License Issuance

The Division of Commercial Licensing and Racing and Athletics oversees licensing and regulation of various types of businesses. The program aims 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. The figures below represent the average amount of time it takes the Commercial Licensing, Racing & Athletics Division to issue a license.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|---------|---------|---------|---------|
| Target | -- | 25 Days | 10 Days | 10 Days | 10 Days |
| Actual | -- | 4 Days | 6 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Inspection Closure

Commercial Licensing and Racing and Athletics inspections help ensure compliance with state regulations. The figures below represent the percentage of inspections conducted by the Commercial Licensing, Racing & Athletics Division that have been closed within the scheduled timeframe.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|-------|------|------|------|
| Target | -- | -- | 85% | 85% | 85% |
| Actual | -- | 72.1% | 88% | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Boards for Design Professionals

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

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|------------------|------------------|------------------|------------------|-------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 254,646 | 253,105 | 260,635 | 264,810 | 273,009 |
| Total Expenditures | \$254,646 | \$253,105 | \$260,635 | \$264,810 | \$273,009 |
| Expenditures By Object | | | | | |
| Personnel | 192,871 | 198,474 | 203,070 | 207,245 | 215,444 |
| Operating Supplies and Expenses | 60,763 | 53,849 | 57,565 | 57,565 | 57,565 |
| Subtotal: Operating Expenditures | 253,634 | 252,323 | 260,635 | 264,810 | 273,009 |
| Capital Purchases and Equipment | 1,012 | 782 | - | - | - |
| Total Expenditures | \$254,646 | \$253,105 | \$260,635 | \$264,810 | \$273,009 |
| Expenditures By Funds | | | | | |
| General Revenue | 254,646 | 253,105 | 260,635 | 264,810 | 273,009 |
| Total Expenditures | \$254,646 | \$253,105 | \$260,635 | \$264,810 | \$273,009 |

Personnel

Department Of Business Regulation Boards for Design Professionals

| | Grade | FY 2015 | | FY 2016 | |
|---|--------|------------|------------------|------------|------------------|
| | | FTE | Cost | FTE | Cost |
| Unclassified | | | | | |
| ADMINISTRATIVE ASSISTANT | 00823A | 1.0 | 65,265 | 1.0 | 66,527 |
| ADMINISTRATIVE SUPPORT SPECIALIST | 00324A | 1.0 | 62,277 | 1.0 | 65,462 |
| Subtotal | | 2.0 | \$127,542 | 2.0 | \$131,989 |
| Total Salaries | | 2.0 | \$127,542 | 2.0 | \$131,989 |
| Benefits | | | | | |
| Payroll Accrual | | | 729 | | 752 |
| FICA | | | 9,756 | | 10,098 |
| Retiree Health | | | 8,609 | | 7,920 |
| Health Benefits | | | 22,894 | | 25,287 |
| Retirement | | | 31,031 | | 32,522 |
| Subtotal | | | \$73,019 | | \$76,579 |
| Total Salaries and Benefits | | 2.0 | \$200,561 | 2.0 | \$208,568 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$100,281 | | \$104,284 |
| Statewide Benefit Assessment | | | \$5,484 | | \$5,676 |
| Payroll Costs | | 2.0 | \$206,045 | 2.0 | \$214,244 |
| Purchased Services | | | | | |
| Clerical and Temporary Services | | | 1,200 | | 1,200 |
| Subtotal | | | \$1,200 | | \$1,200 |
| Total Personnel | | 2.0 | \$207,245 | 2.0 | \$215,444 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 2.0 | \$207,245 | 2.0 | \$215,444 |
| Total All Funds | | 2.0 | \$207,245 | 2.0 | \$215,444 |

Performance Measures

Department Of Business Regulation Boards for Design Professionals

Timeliness of Complaint Resolution

The Boards for Design Professionals registers and acts upon complaints for the purpose of safeguarding the health, safety, and welfare of the public. The figures below represent the average amount of time it takes the Boards for Design Professionals to resolve a complaint.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|----------|----------|----------|---------|---------|
| Target | -- | 360 Days | 100 Days | 30 Days | 30 Days |
| Actual | 224 Days | 147 Days | 12 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

Timeliness of License Issuance

The Boards for Design Professionals examines and licenses professional engineers, land surveyors, landscape and traditional architects. The figures below represent the average amount of time it takes the Boards for Design Professionals to issue a license.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|---------|----------|----------|---------|---------|
| Target | -- | 123 Days | 45 Days | 45 Days | 45 Days |
| Actual | 57 Days | 87 Days | 100 Days | -- | -- |

Performance for this measure is reported by state fiscal year.

The Program

Department Of Business Regulation Office of Health Insurance Commissioner

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

Department Of Business Regulation Office of Health Insurance Commissioner

| | 2013 Audited | 2014 Audited | 2015 Enacted | 2015 Revised | 2016 Recommend |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenditures By Subprogram | | | | | |
| Operations | 5,225,712 | 2,543,384 | 2,539,472 | 2,941,922 | 3,341,757 |
| Total Expenditures | \$5,225,712 | \$2,543,384 | \$2,539,472 | \$2,941,922 | \$3,341,757 |
| Expenditures By Object | | | | | |
| Personnel | 5,150,369 | 2,540,037 | 2,509,176 | 2,843,410 | 3,300,736 |
| Operating Supplies and Expenses | 73,825 | (585) | 30,296 | 98,512 | 41,021 |
| Subtotal: Operating Expenditures | 5,224,194 | 2,539,452 | 2,539,472 | 2,941,922 | 3,341,757 |
| Capital Purchases and Equipment | 1,518 | 3,932 | - | - | - |
| Total Expenditures | \$5,225,712 | \$2,543,384 | \$2,539,472 | \$2,941,922 | \$3,341,757 |
| Expenditures By Funds | | | | | |
| General Revenue | 522,504 | 501,668 | 507,142 | 461,914 | 535,017 |
| Federal Funds | 4,698,165 | 2,038,842 | 2,021,830 | 2,469,508 | 2,795,240 |
| Restricted Receipts | 5,043 | 2,874 | 10,500 | 10,500 | 11,500 |
| Total Expenditures | \$5,225,712 | \$2,543,384 | \$2,539,472 | \$2,941,922 | \$3,341,757 |

Personnel

Department Of Business Regulation Office of Health Insurance Commissioner

| | Grade | FY 2015 | | FY 2016 | |
|---|---------------------|-------------|--------------------|-------------|--------------------|
| | | FTE | Cost | FTE | Cost |
| Unclassified | | | | | |
| HEALTH INSURANCE COMMISSIONER | 00854A | 1.0 | 181,421 | 1.0 | 190,986 |
| EXECUTIVE ASSISTANT/CHIEF OF STAFF | 00841A | 1.0 | 105,581 | 1.0 | 107,693 |
| DEPUTY EXECUTIVE | 00841A | 1.0 | 109,851 | 1.0 | 103,109 |
| ASSOCIATE DIRECTOR FOR PLANNING, POLICY & EXECUTIVE DIRECTOR | 00843A | 2.0 | 214,197 | 2.0 | 227,993 |
| PRINCIPAL POLICY ASSOCIATE | 00736A | 1.0 | 88,681 | 1.0 | 90,455 |
| SPECIAL PROJECTS COORDINATOR | 00837A ² | 4.0 | 344,461 | 4.0 | 365,527 |
| PRINCIPAL PLANNING AND PROGRAM SPECIALIST | 00829A | 1.0 | 71,596 | 1.0 | 73,028 |
| ADMINISTRATIVE OFFICER | 00828A | 1.0 | 49,254 | 1.0 | 62,262 |
| ADMINISTRATIVE OFFICER | 00822A | 1.0 | 48,551 | 1.0 | 46,555 |
| Subtotal | | 13.0 | \$1,213,593 | 13.0 | \$1,267,608 |
| Turnover | | - | (118,915) | - | - |
| Subtotal | | - | (\$118,915) | - | - |
| Total Salaries | | 13.0 | \$1,094,678 | 13.0 | \$1,267,608 |
| Benefits | | | | | |
| Payroll Accrual | | | 6,246 | | 7,152 |
| FICA | | | 79,964 | | 91,946 |
| Retiree Health | | | 73,891 | | 76,766 |
| Health Benefits | | | 125,223 | | 164,995 |
| Retirement | | | 266,335 | | 308,924 |
| Subtotal | | | \$551,659 | | \$649,783 |
| Total Salaries and Benefits | | 13.0 | \$1,646,337 | 13.0 | \$1,917,391 |
| Cost Per FTE Position (Excluding Temporary and Seasonal) | | | \$126,641 | | \$147,492 |
| Statewide Benefit Assessment | | | \$47,073 | | \$54,013 |
| Payroll Costs | | 13.0 | \$1,693,410 | 13.0 | \$1,971,404 |
| Purchased Services | | | | | |
| Management & Consultant Services | | | 1,150,000 | | 1,329,332 |
| Subtotal | | | \$1,150,000 | | \$1,329,332 |
| Total Personnel | | 13.0 | \$2,843,410 | 13.0 | \$3,300,736 |
| Distribution By Source Of Funds | | | | | |
| General Revenue | | 3.0 | \$448,704 | 3.0 | \$521,807 |
| Federal Funds | | 10.0 | \$2,394,706 | 10.0 | \$2,778,929 |
| Total All Funds | | 13.0 | \$2,843,410 | 13.0 | \$3,300,736 |

² FY 2016: FTE position is in support of the State Innovation Models (SIM) Initiative

Performance Measures

Department Of Business Regulation Office of Health Insurance Commissioner

Insurer Surplus as a Percentage of Revenue (SAPOR)

Surplus as a Percent of Revenue (SAPOR) is the industry standard measure of health insurer financial stability. The Office of the Health Insurance Commissioner (OHIC) tracks SAPOR in support of its legislative mandate to monitor insurer solvency. The figures below represent the straight average (unweighted by membership) of insurer SAPOR. Because SAPOR targets vary by insurance company, the targets below are averages for companies operating in the Rhode Island market.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|-------|-------|-------|-------|-------|
| Target | -- | 21.5% | 21.5% | 21.5% | 21.5% |
| Actual | 20.1% | 20.2% | 18.5% | -- | -- |

Performance for this measure is reported by state fiscal year.

Complaints in Queue

In support of its legislative mandate to protect consumers, the Office of the Health Insurance Commissioner (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.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|------|------|------|------|
| Target | -- | 65 | 65 | 60 | 60 |
| Actual | 63 | 55 | 101 | -- | -- |

Performance for this measure is reported by state fiscal year.

Small Business Premium Rate Increases

The Office of the Health Insurance Commissioner (OHIC) annually reviews and approves commercial premiums. This review supports OHIC's charge to balance insurance affordability and insurer solvency. This measure focuses on approved premiums for small groups (fewer than 50 employees). Due to their size, small groups 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 target and approved essential health benefits (EHB) base rate for smaller group issuers.

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|------|-------|-------|-------|-------|
| Target | -- | -- | \$369 | \$391 | \$410 |
| Actual | -- | \$348 | \$369 | -- | -- |

Performance for this measure is reported by state fiscal year.