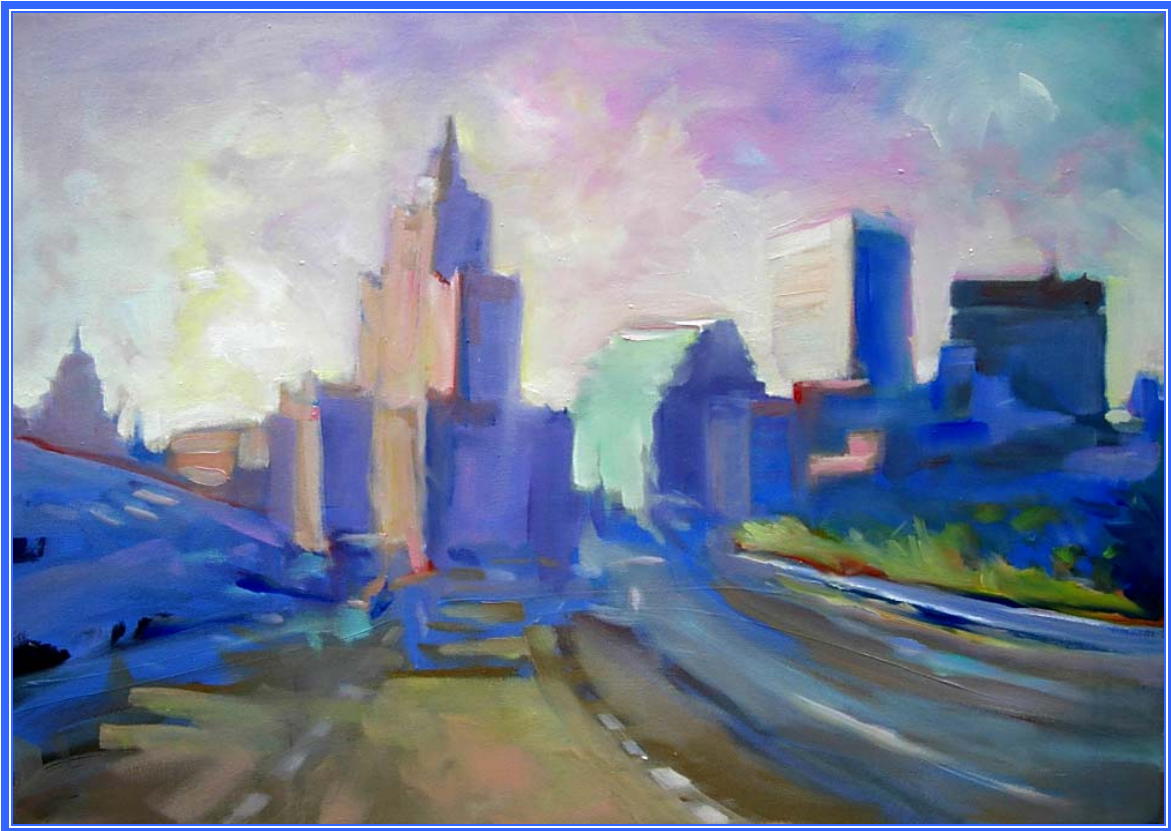


State of Rhode Island and Providence Plantations

# Budget



Fiscal Year 2009

Donald L. Carcieri, Governor

# The Agency

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## Department of Business Regulation

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### Agency Operations

The Department of Business Regulation's primary function is to implement state laws mandating the regulation and licensing of designated businesses, professions, occupations and other specified activities. The department is composed of four divisions and Central Management, which includes budget, personnel, and legal. The respective divisions are: Banking and Securities, Commercial Licensing and Regulation, 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, and Racing and Athletics Hearing Board. The department issues approximately 125,000 licenses and conducts administrative hearings involving issuances, administrative penalties, suspensions and/or revocations.

### Agency Objectives

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

### Statutory History

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

# The Budget

## Department of Business Regulation

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures by Program</b>					
Central Management	1,629,017	1,202,298	1,283,012	1,278,102	1,133,343
Banking Regulation	1,698,926	-	-	-	-
Securities Regulation	843,560	-	-	-	-
Commercial Licensing and Regulation	1,150,807	-	-	-	-
Racing and Athletics	475,733	97	-	-	-
Insurance Regulation	4,497,363	5,543,348	6,092,680	6,194,220	5,619,290
Board of Accountancy	141,725	143,242	155,449	151,359	156,595
Banking and Securities	-	2,840,155	3,228,499	3,102,514	3,059,442
Commercial Licensing , Racing & Athletics	-	1,515,981	1,969,797	1,646,615	1,451,807
Board for Design Professionals	381,196	374,210	406,186	392,240	328,227
<b>Total Expenditures</b>	<b>\$10,818,327</b>	<b>\$11,619,331</b>	<b>\$13,135,623</b>	<b>\$12,765,050</b>	<b>\$11,748,704</b>
<b>Expenditures By Object</b>					
Personnel	9,376,924	10,131,903	11,420,068	10,973,941	10,864,358
Operating Supplies and Expenses	1,388,050	1,204,010	1,612,421	1,614,467	789,212
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	269,946	80,000	156,742	80,000
<b>Subtotal: Operating Expenditures</b>	<b>\$10,764,974</b>	<b>\$11,605,859</b>	<b>\$13,112,489</b>	<b>\$12,745,150</b>	<b>\$11,733,570</b>
Capital Purchases and Equipment	53,353	13,472	23,134	19,900	15,134
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$10,818,327</b>	<b>\$11,619,331</b>	<b>\$13,135,623</b>	<b>\$12,765,050</b>	<b>\$11,748,704</b>
<b>Expenditures By Funds</b>					
General Revenue	10,149,419	10,859,699	11,475,916	10,896,429	10,203,066
Federal Funds	-	43,291	51,742	201,742	-
Restricted Receipts	668,908	716,341	1,607,965	1,666,879	1,545,638
<b>Total Expenditures</b>	<b>\$10,818,327</b>	<b>\$11,619,331</b>	<b>\$13,135,623</b>	<b>\$12,765,050</b>	<b>\$11,748,704</b>
<b>FTE Authorization</b>	<b>110.0</b>	<b>103.0</b>	<b>105.0</b>	<b>102.0</b>	<b>98.0</b>
<b>Agency Measures</b>					
Minorities as Percentage of Workforce	4.0%	4.0%	4.0%	4.0%	4.0%
Females as Percentage of Workforce	54.0%	54.0%	54.0%	54.0%	54.0%
Persons with Disabilities as a Percentage of the Workforce	-	-	-	-	-

# The Program

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## Department of Business Regulation Central Management

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### Program Operations

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

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

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

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

### Program Objectives

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

### Statutory History

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

# The Budget

## Department of Business Regulation Central Management

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	1,228,249	980,267	1,034,460	1,015,913	1,061,798
Operating Supplies and Expenses	397,230	218,242	243,952	259,089	68,445
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$1,625,479</b>	<b>\$1,198,509</b>	<b>\$1,278,412</b>	<b>\$1,275,002</b>	<b>\$1,130,243</b>
Capital Purchases and Equipment	3,538	3,789	4,600	3,100	3,100
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,629,017</b>	<b>\$1,202,298</b>	<b>\$1,283,012</b>	<b>\$1,278,102</b>	<b>\$1,133,343</b>
<b>Expenditures By Funds</b>					
General Revenue	1,629,017	1,202,298	1,283,012	1,278,102	1,133,343
<b>Total Expenditures</b>	<b>\$1,629,017</b>	<b>\$1,202,298</b>	<b>\$1,283,012</b>	<b>\$1,278,102</b>	<b>\$1,133,343</b>
<b>Program Measures</b>	NA	NA	NA	NA	NA

# The Program

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## Department of Business Regulation Banking Regulation

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### Program Operations

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

Banking Regulation was responsible for regulating, monitoring and examining twenty-nine (29) state-chartered financial institutions and credit unions and approximately 1,300 licensees. The division accomplished its program objectives through the process of licensing, chartering and examining financial institutions 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 reviewed and conducted hearings on applications filed by financial institutions and credit unions for charters, branches and other pertinent financial institution and credit union business. Licensees included lenders, loan brokers, loan lenders, foreign exchange transactions, sale of check and electronic money transfers, check cashers, and debt poolers. Additionally, Banking Regulation enforced statutes relating to maximum interest charges and state usury laws and conducts administrative hearings when required. Additional responsibilities included investigating and resolving several hundred consumer complaints and inquiries each year.

The division was made part of the Banking and Securities Regulation division beginning in FY 2007.

### Program Objectives

To charter, license and ensure compliance with statutory requirements for the safe and sound operation of regulated institutions and licensees in order to protect the public interest.

### Statutory History

R.I. General Laws 19-1 to 19-14.2 charge the division with the regulation of Financial Institutions and Lenders, Small Loan Lenders, and Loan Broker Licensees. R.I. General Laws 6-26 to 6-27 relate to Interest, Usury and Truth in Lending. R.I. General Laws 34-23 to 34-27 relate to Mortgages. R.I. General Laws 19-14.3, 19-14.4 and 19-14.5 relate to the Sale of Checks and Electronic Money Transfers, Check Cashing, and Foreign Exchange Transactions, respectively. R.I. General Law 5-66 relates to Debt Pooling.

# The Budget

## Department of Business Regulation Banking Regulation

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	1,541,340	-	-	-	-
Operating Supplies and Expenses	148,790	-	-	-	-
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$1,690,130</b>	-	-	-	-
Capital Purchases and Equipment	8,796	-	-	-	-
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,698,926</b>	-	-	-	-
<b>Expenditures By Funds</b>					
General Revenue	1,698,926	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,698,926</b>	-	-	-	-
<b>Program Measures</b>					
Percentage of State-Chartered Institutions Examined in Substantial Compliance with the Banking Code	100.0%	-	-	-	-
Percentage of Other Lending Licenses Examined in Substantial Compliance with the Banking Code	85.0%	-	-	-	-

# The Program

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## Department of Business Regulation Securities Regulation

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### Program Operations

Securities Regulation was 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 was 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. The division processed licenses registrations, conducted on-site examinations of broker-dealers and investment advisers, investigated complaints, and instituted enforcement actions, pursuant to applicable state and federal laws and regulations.

The division was made part of the Banking and Securities Regulation division beginning in FY 2007.

### Program Objectives

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

### Statutory History

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



# The Budget

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## Department of Business Regulation Securities Regulation

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	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	725,743	-	-	-	-
Operating Supplies and Expenses	112,901	-	-	-	-
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$838,644</b>	-	-	-	-
Capital Purchases and Equipment	4,916	-	-	-	-
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$843,560</b>	-	-	-	-
<b>Expenditures By Funds</b>					
General Revenue	843,560	-	-	-	-
<b>Total Expenditures</b>	<b>\$843,560</b>	-	-	-	-
<b>Program Measures</b>					
Percentage of Investment Advisory Firms with a Place of Business in RI Examined in Substantial Compliance with the Securities Act	100.0%	-	-	-	-

# The Program

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## Department of Business Regulation Banking and Securities Regulation

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### Program Operations

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

With respect to Banking, the division is responsible for regulating, monitoring and examining thirty-four (34) state-chartered financial institutions, Rhode Island bank holding companies, credit unions and one thousand nine hundred ninety three (1,993) banking licensee locations as of July 2006. The division also processed approximately sixty-six thousand seven hundred (66,700) securities licenses and nine thousand five hundred (9,500) securities registrations.

### Program Objectives

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

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

### Statutory History

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

# The Budget

## Department of Business Regulation Banking and Securities Regulation

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	-	2,584,260	2,790,380	2,666,422	2,848,667
Operating Supplies and Expenses	-	254,502	431,685	429,892	204,341
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	-	<b>\$2,838,762</b>	<b>\$3,222,065</b>	<b>\$3,096,314</b>	<b>\$3,053,008</b>
Capital Purchases and Equipment	-	1,393	6,434	6,200	6,434
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	-	<b>\$2,840,155</b>	<b>\$3,228,499</b>	<b>\$3,102,514</b>	<b>\$3,059,442</b>
<b>Expenditures By Funds</b>					
General Revenue	-	2,840,155	3,083,499	2,957,514	2,909,442
Restricted Receipts	-	-	145,000	145,000	150,000
<b>Total Expenditures</b>	-	<b>\$2,840,155</b>	<b>\$3,228,499</b>	<b>\$3,102,514</b>	<b>\$3,059,442</b>
<b>Program Measures</b>					
Percentage of State-Chartered Institutions Examined in Substantial Compliance with the Banking Code	100.0%	100.0%	100.0%	100.0%	100.0%
Percentage of Other Lending Licenses Examined in Substantial Compliance with the Banking Code	85.0%	85.0%	80.0%	80.0%	80.0%
Percentage of Investment Advisory Firms with a Place of Business in RI Examined in Substantial Compliance with the Securities Act	100.0%	100.0%	100.0%	100.0%	100.0%

# The Program

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## Department of Business Regulation Commercial Licensing and Regulation

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### Program Operations

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

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

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

The division was made part of the Commercial Licensing, Racing and Athletics division beginning in FY 2007.

### Program Objective

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

### Statutory History

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

# The Budget

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## Department of Business Regulation Commercial Licensing and Regulation

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	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	938,981	-	-	-	-
Operating Supplies and Expenses	198,405	-	-	-	-
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$1,137,386</b>	-	-	-	-
Capital Purchases and Equipment	13,421	-	-	-	-
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,150,807</b>	-	-	-	-
<b>Expenditures By Funds</b>					
General Revenue	1,133,457	-	-	-	-
Restricted Receipts	17,350	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,150,807</b>	-	-	-	-
<b>Program Measures</b>					
Percentage of Real Estate Licensees in Substantial Compliance with Real Estate Code	95.0%	-	-	-	-
Percentage of Auto Body Shops, Auto Wrecking Yards, and Auto Salvage Re-builders in Substantial Compliance with the Code	93.0%	-	-	-	-
Percentage of Liquor Licensees in Substantial Compliance with the Code	83.6%	-	-	-	-

# The Program

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## Department of Business Regulation Commercial Licensing, Racing and Athletics

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### Program Operations

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

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

### Program Objective

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

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

### Statutory History

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

# The Budget

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

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	-	1,281,656	1,572,242	1,247,293	1,261,821
Operating Supplies and Expenses	-	256,477	314,255	316,022	106,686
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	(24,000)	80,000	80,000	80,000
<b>Subtotal: Operating Expenditures</b>	-	<b>\$1,514,133</b>	<b>\$1,966,497</b>	<b>\$1,643,315</b>	<b>\$1,448,507</b>
Capital Purchases and Equipment	-	1,848	3,300	3,300	3,300
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	-	<b>\$1,515,981</b>	<b>\$1,969,797</b>	<b>\$1,646,615</b>	<b>\$1,451,807</b>
<b>Expenditures By Funds</b>					
General Revenue	-	1,540,856	1,362,961	1,093,363	963,559
Restricted Receipts	-	(24,875)	606,836	553,252	488,248
<b>Total Expenditures</b>	-	<b>\$1,515,981</b>	<b>\$1,969,797</b>	<b>\$1,646,615</b>	<b>\$1,451,807</b>
<b>Program Measures</b>					
Percentage of Real Estate Licensees in Substantial Compliance with Real Estate Code	95.0%	95.0%	95.0%	95.0%	95.0%
Percentage of Auto Body Shops, Auto Wrecking Yards, and Auto Salvage Re-builders in Substantial Compliance with the Code	93.0%	90.0%	93.5%	93.5%	93.5%
Percentage of Liquor Licensees in Substantial Compliance with the Code	83.6%	80.0%	78.0%	78.0%	78.0%
Percentage of Tested Greyhounds Testing Negative for Chemical Substances	99.6%	99.9%	99.9%	99.9%	99.9%

# The Program

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## Department of Business Regulation Racing and Athletics

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### Program Operations

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

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

The division also oversaw simulcast wagering operations at Lincoln Park and Newport Grand facilities and conducted and participated in hearings, collects tax revenue and issues occupational licenses.

The division was made part of the Commercial Licensing, Racing and Athletics division beginning in FY 2007.

### Program Objectives

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

### Statutory History

R.I. General Law 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 Racing and Athletics

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	385,315	-	-	-	-
Operating Supplies and Expenses	85,806	-	-	-	-
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$471,121</b>	-	-	-	-
Capital Purchases and Equipment	4,612	-	-	-	-
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$475,733</b>	-	-	-	-
<b>Expenditures By Funds</b>					
General Revenue	475,733	-	-	-	-
<b>Total Expenditures</b>	<b>\$475,733</b>	-	-	-	-
<b>Program Measures</b>					
Percentage of Tested Greyhounds Testing Negative for Chemical Substances	99.6%	-	-	-	-

# The Program

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## Department of Business Regulation Insurance Regulation

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### Program Operations

The Insurance Division is responsible for conducting financial examinations of domestic insurance companies to ensure financial solvency and market conduct examinations of domestic or foreign insurance companies to ensure compliance with the insurance statutes and regulations. The program performs several licensing functions including, but not limited to, the licensing of companies, producers, adjusters and appraisers. The program also reviews rate and form filings for the Life, Accident and Health, and Property and Casualty lines of business for compliance with state statutes and regulations, and addresses consumer complaints for these lines of business. The program monitors and introduces legislation in order to maintain accreditation by the National Association of Insurance Commissioners, which it received in June of 1993. The division was once again accredited in December 1998 and again in December 2003, each time receiving the maximum accreditation period of five years.

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

### Program Objectives

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

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

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

To maintain accreditation by the National Association of Insurance Commissioners.

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

### Statutory History

R.I.G.L. 42-14-5.1 established the Office of Health Insurance Commissioner. All chapters of R.I.G.L. 27-1,42-14, and 28-29 through 28-38, and all Insurance Division regulations. Applicable insurer regulations are found in various chapters of RI General Laws Titles 27 and 42.

# The Budget

## Department of Business Regulation Insurance Regulation

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	4,145,550	4,863,083	5,562,000	5,597,020	5,300,399
Operating Supplies and Expenses	339,489	379,877	523,680	514,958	318,391
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	293,946	-	76,742	-
<b>Subtotal: Operating Expenditures</b>	<b>\$4,485,039</b>	<b>\$5,536,906</b>	<b>\$6,085,680</b>	<b>\$6,188,720</b>	<b>\$5,618,790</b>
Capital Purchases and Equipment	12,324	6,442	7,000	5,500	500
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$4,497,363</b>	<b>\$5,543,348</b>	<b>\$6,092,680</b>	<b>\$6,194,220</b>	<b>\$5,619,290</b>
<b>Expenditures By Funds</b>					
General Revenue	3,845,805	4,758,841	5,184,809	5,023,851	4,711,900
Federal Funds	-	43,291	51,742	201,742	-
Restricted Receipts	651,558	741,216	856,129	968,627	907,390
<b>Total Expenditures</b>	<b>\$4,497,363</b>	<b>\$5,543,348</b>	<b>\$6,092,680</b>	<b>\$6,194,220</b>	<b>\$5,619,290</b>
<b>Program Measures</b>					
Percentage of Domestic Insurance Companies in Substantial Compliance with the Insurance Code (Market Conduct Examinations)	100.0%	100.0%	85.0%	85.0%	100.0%

# The Program

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## Department of Business Regulation Board of Accountancy

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### Program Operations

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

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

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

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

### Program Objectives

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

### Statutory History

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

# The Budget

## Department of Business Regulation Board of Accountancy

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	129,336	133,959	142,264	140,726	146,410
Operating Supplies and Expenses	10,559	9,283	13,185	10,633	10,185
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$139,895</b>	<b>\$143,242</b>	<b>\$155,449</b>	<b>\$151,359</b>	<b>\$156,595</b>
Capital Purchases and Equipment	1,830	-	-	-	-
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$141,725</b>	<b>\$143,242</b>	<b>\$155,449</b>	<b>\$151,359</b>	<b>\$156,595</b>
<b>Expenditures By Funds</b>					
General Revenue	141,725	143,242	155,449	151,359	156,595
<b>Total Expenditures</b>	<b>\$141,725</b>	<b>\$143,242</b>	<b>\$155,449</b>	<b>\$151,359</b>	<b>\$156,595</b>
<b>Program Measures</b>					
Percentage of CPA's and PA's who meet Continuing Professional Education Requirements in Accordance with R.I. General Law	98.0%	98.0%	98.0%	98.0%	98.0%

# The Program

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## Department of Business Regulation Boards for Design Professionals

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### Program Operations

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 the division know as the division of Design Professionals.

### Program Objectives

To exam, 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.

### 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 1975.

# The Budget

## Department of Business Regulation Boards for Design Professionals

	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2008 Revised	FY 2009 Recommended
<b>Expenditures By Object</b>					
Personnel	282,410	288,581	318,722	306,567	245,263
Operating Supplies and Expenses	94,870	85,629	85,664	83,873	81,164
Aid To Local Units Of Government	-	-	-	-	-
Assistance, Grants and Benefits	-	-	-	-	-
<b>Subtotal: Operating Expenditures</b>	<b>\$377,280</b>	<b>\$374,210</b>	<b>\$404,386</b>	<b>\$390,440</b>	<b>\$326,427</b>
Capital Purchases and Equipment	3,916	-	1,800	1,800	1,800
Debt Service	-	-	-	-	-
Operating Transfers	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$381,196</b>	<b>\$374,210</b>	<b>\$406,186</b>	<b>\$392,240</b>	<b>\$328,227</b>
<b>Expenditures By Funds</b>					
General Revenue	381,196	374,210	406,186	392,240	328,227
<b>Total Expenditures</b>	<b>\$381,196</b>	<b>\$374,210</b>	<b>\$406,186</b>	<b>\$392,240</b>	<b>\$328,227</b>
<b>Program Measures</b>					
Ratio of Complaint Cases Successfully Resolved to Cases Filed	1.52	0.62	0.75	0.75	0.75