



**Gina M. Raimondo,
Governor**

**State of Rhode Island and
Providence Plantations
Fiscal Year 2018
Budget**

**Volume I – General Government
and Quasi-Public Agencies**

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 prosperous and sound business environment that serves the public interest.

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 the budget, regulatory standards, compliance and enforcement. The respective divisions are: Banking, Securities, Insurance, Design Professionals, Commercial Licensing and Gaming and Athletics Licensing, and the Office of the Health Insurance Commissioner.

The Director of Business Regulation is appointed by the Governor and serves statutorily as the State Banking Commissioner, Commissioner of Insurance, Real Estate Administrator, Chief of Intoxicating Beverages, and State Boxing Commissioner. The Department also houses other commissions including the Real Estate Commission, Real Estate Appraisal Board, Rhode Island Board of Accountancy, the Certified Constables' Board, and the Racing and Athletics Hearing Board. The Department issues over 200,000 licenses and conducts administrative hearings involving issuances, administrative penalties, denials, 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.

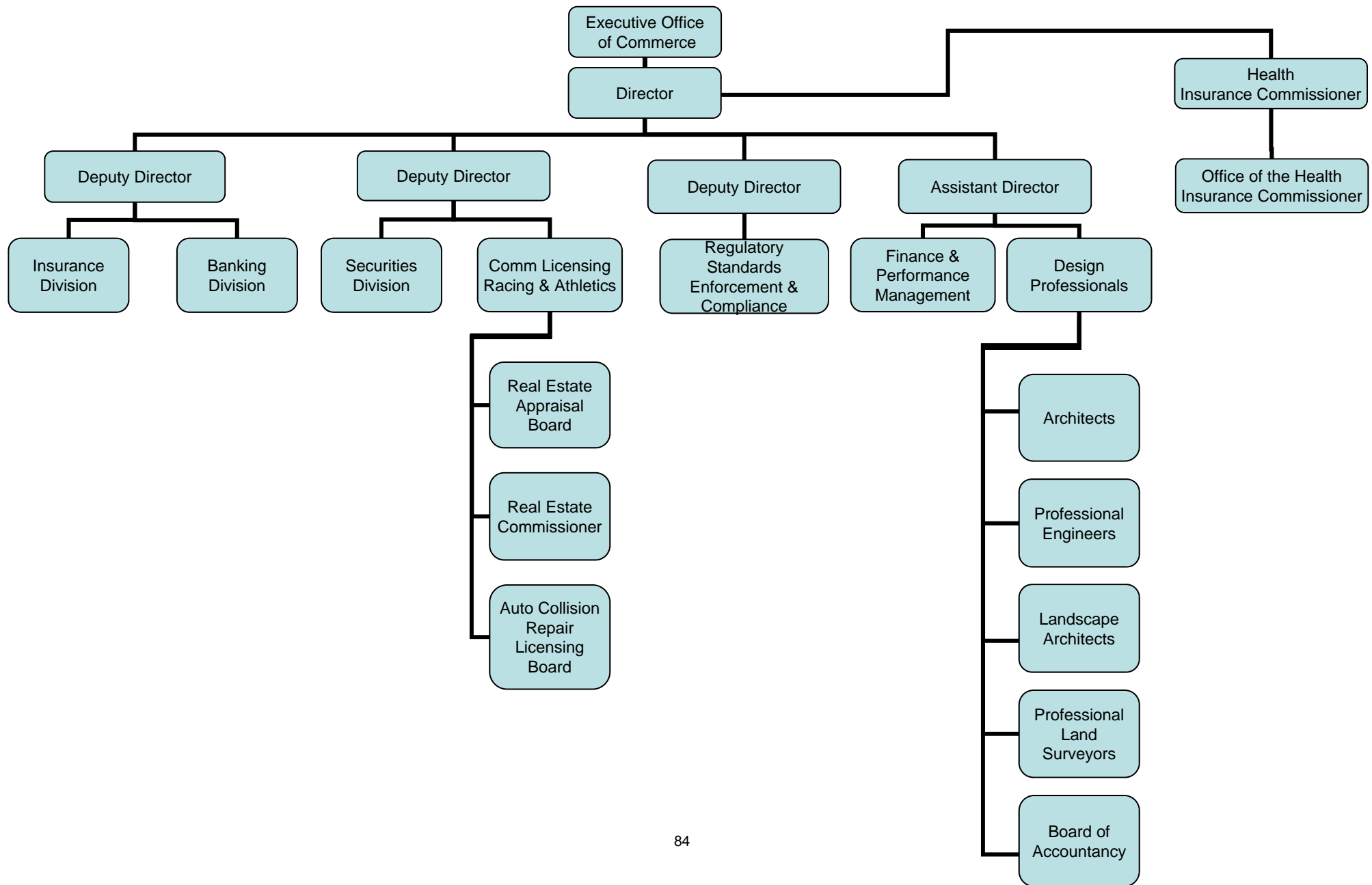
Budget

Department Of Business Regulation

	FY 2015 Audited	FY 2016 Audited	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommend
Expenditures By Program					
Central Management	1,234,445	1,386,270	1,325,909	1,395,571	1,396,420
Banking Regulation	1,584,765	1,487,762	1,868,673	1,811,804	1,893,062
Securities Regulation	898,519	856,076	1,094,028	989,896	989,364
Insurance Regulation	4,961,419	4,414,197	5,786,060	5,606,970	5,851,931
Board of Accountancy	4,487	5,782	6,000	6,000	6,000
Commercial Licensing and Gaming and Athletics Licensing	1,093,425	1,237,470	2,944,868	3,238,385	2,671,652
Boards for Design Professionals	258,827	265,343	273,080	356,246	362,455
Office of Health Insurance Commissioner	2,640,165	3,551,977	2,561,271	3,470,472	2,735,299
Total Expenditures	\$12,676,052	\$13,204,877	\$15,859,889	\$16,875,344	\$15,906,183
Expenditures By Object					
Personnel	12,154,918	12,612,550	13,939,309	14,987,197	14,783,401
Operating Supplies and Expenses	509,266	512,560	626,842	655,371	1,004,044
Assistance and Grants	-	-	80,000	80,000	80,000
Subtotal: Operating Expenditures	12,664,184	13,125,110	14,646,151	15,722,568	15,867,445
Capital Purchases and Equipment	11,868	79,767	1,213,738	1,152,776	38,738
Total Expenditures	\$12,676,052	\$13,204,877	\$15,859,889	\$16,875,344	\$15,906,183
Expenditures By Funds					
General Revenue	8,556,174	8,174,920	10,583,452	10,621,228	11,115,093
Federal Funds	2,216,757	3,073,024	1,100,710	2,011,396	892,213
Restricted Receipts	1,903,121	1,956,933	4,175,727	4,242,720	3,898,877
Total Expenditures	\$12,676,052	\$13,204,877	\$15,859,889	\$16,875,344	\$15,906,183
FTE Authorization	98.0	98.0	97.0	106.0	106.0

The Agency

Department of Business Regulation



Personnel

Department Of Business Regulation Agency Summary

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified		87.0	6,051,371	88.0	6,202,237
Unclassified		20.0	1,835,069	18.0	1,617,858
Subtotal		107.0	\$7,886,440	106.0	\$7,820,095
Cost Allocation from Other Programs		0.8	89,449	0.8	89,838
Cost Allocation to Other Programs		(0.8)	(\$89,449)	(0.8)	(\$89,838)
Program Reduction		(1.0)	(\$36,548)	-	-
Temporary and Seasonal		-	10,851	-	14,468
Turnover		-	(\$527,875)	-	(\$98,130)
Subtotal		(1.0)	(\$553,572)	-	(\$83,662)
Total Salaries		106.0	\$7,332,868	106.0	\$7,736,433
Benefits					
Payroll Accrual			41,991		44,214
Retiree Health			436,356		460,871
Health Benefits			1,281,451		1,406,807
FICA			552,779		584,264
Retirement			1,915,748		1,993,025
Subtotal			\$4,228,325		\$4,489,181
Total Salaries and Benefits		106.0	\$11,561,193	106.0	\$12,225,614
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$108,965		\$115,199
Statewide Benefit Assessment			\$331,860		\$331,574
Payroll Costs		106.0	\$11,893,053	106.0	\$12,557,188
Purchased Services					
Training and Educational Services			10,000		10,000
Legal Services			2,448		2,448
Other Contracts			30,494		31,798
Clerical and Temporary Services			2,760		2,760
Management & Consultant Services			3,048,443		2,179,207
Subtotal			\$3,094,145		\$2,226,213
Total Personnel		106.0	\$14,987,197	106.0	\$14,783,401
Distribution By Source Of Funds					
General Revenue		86.1	\$10,224,011	86.8	\$10,735,688
Federal Funds		7.7	\$1,999,224	5.0	\$888,556
Restricted Receipts		12.2	\$2,763,962	14.2	\$3,159,157
Total All Funds		106.0	\$14,987,197	106.0	\$14,783,401

Performance Measures

Department Of Business Regulation

Insurance Examiner Utilization Rate

The figures below represent the utilization rate for insurance examiners, calculated by dividing the hours billed to domestic insurance companies by the total hours examiners are available to work. This measure includes only examiner positions whose time is heavily weighted towards examinations with minimal administrative functions.

	2014	2015	2016	2017	2018
Target	73%	73%	73%	73%	73%
Actual	70%	68%	65%	--	--

Performance for this measure is reported by state fiscal year.

Timeliness of Banking Division License Issuance

The figures below represent the average amount of time it takes the Banking Division to issue a license. [Note: The 2015 actual has been updated to reflect more accurate data.]

	2014	2015	2016	2017	2018
Target	--	30 Days	30 Days	30 Days	45 Days
Actual	--	49 Days	57 Days	--	--

Performance for this measure is reported by state fiscal year.

Timeliness of Design Professionals 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.

	2014	2015	2016	2017	2018
Target	75 Days	75 Days	75 Days	75 Days	75 Days
Actual	100 Days	125 Days	94 Days	--	--

Performance for this measure is reported by state fiscal year.

Customer Satisfaction

The figures below represent average customer satisfaction across the Department, measured through surveys that contain multiple questions to solicit ratings of 1 to 5 that aggregate to a possible perfect score of 100. [Note: 2014 and 2015 actuals have been updated to reflect more accurate data.]

	2014	2015	2016	2017	2018
Target	95	95	95	95	95
Actual	90	88	88	--	--

Performance for this measure is reported by state fiscal year.

Performance Measures

Department Of Business Regulation

Business Environment Index

This performance measure assesses the average respondent's assessment of the Rhode Island business environment, measured through surveys that contain multiple questions to solicit ratings of 1 to 5 that aggregate to a possible perfect score of 100.

	2014	2015	2016	2017	2018
Target	--	90	90	90	90
Actual	--	87	80	--	--

Performance for this measure is reported by state fiscal year.

Timeliness of Complaint Resolution

The figures below represent the average amount of time it takes across the Department to resolve complaints. [Note: 2014 and 2015 actuals have been updated to reflect more accurate data.]

	2014	2015	2016	2017	2018
Target	15 Days	15 Days	10 Days	8 Days	8 Days
Actual	10 Days	10 Days	5 Days	--	--

Performance for this measure is reported by state fiscal year.

Timeliness of Question Resolution

The figures below represent the average amount of time it takes across the Department to resolve questions. [Note: 2014 and 2015 actuals have been updated to reflect more accurate data.]

	2014	2015	2016	2017	2018
Target	5 Days	5 Days	5 Days	5 Days	--
Actual	2 Days	5 Days	9 Days	--	--

Performance for this measure is reported by state fiscal year.

Office of the Health Insurance Commissioner -- Small Group Premium Base Rates

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 (50 or fewer 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 average approved essential health benefits (EHB) base rate increase for small group issuers.

	2014	2015	2016	2017	2018
Target	--	--	4.5%	4%	4%
Actual	5.3%	4.3%	0.5%	--	--

Performance for this measure is reported by state fiscal year.

Performance Measures

Department Of Business Regulation

OHIC -- Large Group Premium Base Rates

The figures below represent the average approved large group premium expected overall average premium trend.

	2014	2015	2016	2017	2018
Target	--	--	5%	4.5%	4%
Actual	8.1%	5.3%	4.9%	--	--

Performance for this measure is reported by state fiscal year.

OHIC -- Individual Market Premium Base Rates

The figures below represents the average approved individual market premium essential health benefits (EHB) base rate increase.

	2014	2015	2016	2017	2018
Target	--	--	5%	4.5%	4.5%
Actual	-2.8%	7.4%	-2.5%	--	--

Performance for this measure is reported by state fiscal year.

OHIC -- 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.

	2014	2015	2016	2017	2018
Target	21.5%	21.5%	21.5%	20.5%	20.5%
Actual	18.5%	17.9%	16.7%	--	--

Performance for this measure is reported by state fiscal year.

OHIC -- Value-Based Alternative Payments

The figures below represent the use of value-based alternative payment models as percent of insured medical payments. [Note: Calendar year 2016 data is as of 6/30/2016.]

	2014	2015	2016	2017	2018
Target	--	--	30%	40%	50%
Actual	23.4%	26.1%	31%	--	--

Performance for this measure is reported by calendar year.

Performance Measures

Department Of Business Regulation

OHIC -- Non-Fee-for-Service Payments

The figures below represent the use of strictly non-fee-for-service payments as percent of insured medical spend. [Note: Calendar year 2016 data is as of 6/30/2016.]

	2014	2015	2016	2017	2018
Target	--	--	3%	6%	10%
Actual	1.5%	1.4%	2%	--	--

Performance for this measure is reported by calendar year.

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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	1,234,445	1,386,270	1,325,909	1,395,571	1,396,420
Total Expenditures	\$1,234,445	\$1,386,270	\$1,325,909	\$1,395,571	\$1,396,420
Expenditures By Object					
Personnel	1,111,569	1,181,611	1,194,255	1,251,617	1,251,851
Operating Supplies and Expenses	122,556	159,586	129,617	141,917	142,532
Subtotal: Operating Expenditures	1,234,125	1,341,197	1,323,872	1,393,534	1,394,383
Capital Purchases and Equipment	320	45,073	2,037	2,037	2,037
Total Expenditures	\$1,234,445	\$1,386,270	\$1,325,909	\$1,395,571	\$1,396,420
Expenditures By Funds					
General Revenue	1,234,445	1,386,270	1,325,909	1,395,571	1,396,420
Total Expenditures	\$1,234,445	\$1,386,270	\$1,325,909	\$1,395,571	\$1,396,420

Personnel

Department Of Business Regulation Central Management

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified					
ASSISTANT DIRECTOR FINANCIAL AND CONTRACT	00141A	1.0	106,082	1.0	108,003
DEPUTY CHIEF OF LEGAL SERVICES	00137A	1.0	105,580	1.0	105,580
CHIEF OF LEGAL SERVICES	00139A	1.0	93,347	1.0	93,347
SENIOR LEGAL COUNSEL	00134A	1.0	76,579	1.0	78,305
LEGAL COUNSEL	00132A	1.0	72,473	1.0	72,473
SYSTEMS ANALYST	00124A	1.0	64,063	1.0	64,063
PROGRAMMER/ANALYST I (UNIX/SQL)	00128A ¹	1.0	55,897	-	-
SENIOR MANAGEMENT AND METHODS ANALYST	00125A	1.0	49,533	1.0	51,114
Subtotal		8.0	\$623,554	7.0	\$572,885
Unclassified					
DIRECTOR, DEPARTMENT OF BUSINESS	00945KF	1.0	135,000	1.0	135,000
PROGRAM MANAGER	00828A	1.0	82,398	1.0	82,398
EXECUTIVE SECRETARY	00819A	1.0	47,228	1.0	47,228
Subtotal		3.0	\$264,626	3.0	\$264,626
Cost Allocation to Other Programs		(0.6)	(58,483)	(0.6)	(58,872)
Program Reduction		(1.0)	(36,548)	-	-
Turnover		-	(30,066)	-	(15,573)
Subtotal		(1.6)	(\$125,097)	(0.6)	(\$74,445)
Total Salaries		9.5	\$763,083	9.5	\$763,066
Benefits					
Payroll Accrual			4,382		4,375
FICA			57,727		57,833
Retiree Health			45,557		45,632
Health Benefits			116,800		120,393
Retirement			200,325		197,746
Subtotal			\$424,791		\$425,979
Total Salaries and Benefits		9.5	\$1,187,874	9.5	\$1,189,045
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$125,701		\$125,825
Statewide Benefit Assessment			\$34,289		\$32,048
Payroll Costs		9.5	\$1,222,163	9.5	\$1,221,093
Purchased Services					
Other Contracts			29,454		30,758
Subtotal			\$29,454		\$30,758
Total Personnel		9.5	\$1,251,617	9.5	\$1,251,851
Distribution By Source Of Funds					
General Revenue		9.5	\$1,251,617	9.5	\$1,251,851
Total All Funds		9.5	\$1,251,617	9.5	\$1,251,851

Personnel

Department Of Business Regulation Central Management

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
<i>1 The funding for this position will be transferred to DOA via the program reduction. The FTE will remain at DBR.</i>					

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.

The Banking Division seeks to create a sound financial services industry in the State of Rhode Island by being both a regulator and an advocate. We have interpreted that to mean fostering the growth of a diverse and resilient financial services industry that provides credit to all corners of Rhode Island, holds the confidence of its customers, and whom we do not prevent from competing, innovating, and thriving. We believe that sound and prudent regulation creates a level playing field on which our financial institutions can thrive while at the same time providing protection to Rhode Island consumers.

Program Description

The Banking Division provides regulatory oversight of state-chartered banks, state chartered credit unions and Rhode Island bank holding companies through financial examinations and reviews to determine compliance with state banking laws, financial solvency, and safety and soundness. The Division is also responsible for regulating, monitoring and examining other licensees, including almost 2,200 mortgage loan originators and approximately 1,100 companies licensed as debt collectors, third party loan servicers, lenders, loan brokers, small loan lenders, sellers of checks, electronic money transmitters, check cashers and debt-management companies.

The purpose of examinations are to determine financial solvency and compliance with Rhode Island banking laws and regulations for the protection of depositors and the public. The Division reviews and conducts hearings on applications filed by financial institutions and other licensees. The Division enforces statutes relating to maximum interest charges and state usury laws and conducts administrative hearings when required. Additional responsibilities include investigating and resolving several hundred consumer complaints and inquiries each year.

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. R.I. Gen. Laws § 19-14.11 relates to the licensing of third party loan servicers.

The Budget

Department Of Business Regulation Banking Regulation

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	1,584,765	1,487,762	1,868,673	1,811,804	1,893,062
Total Expenditures	\$1,584,765	\$1,487,762	\$1,868,673	\$1,811,804	\$1,893,062
Expenditures By Object					
Personnel	1,517,661	1,447,593	1,801,827	1,712,636	1,826,216
Operating Supplies and Expenses	66,768	36,745	61,846	94,168	61,846
Subtotal: Operating Expenditures	1,584,429	1,484,338	1,863,673	1,806,804	1,888,062
Capital Purchases and Equipment	336	3,424	5,000	5,000	5,000
Total Expenditures	\$1,584,765	\$1,487,762	\$1,868,673	\$1,811,804	\$1,893,062
Expenditures By Funds					
General Revenue	1,539,146	1,457,843	1,818,673	1,761,804	1,843,062
Restricted Receipts	45,619	29,919	50,000	50,000	50,000
Total Expenditures	\$1,584,765	\$1,487,762	\$1,868,673	\$1,811,804	\$1,893,062

Personnel

Department Of Business Regulation Banking Regulation

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified					
SUPERVISOR OF EXAMINATIONS	0AB37A	1.0	99,293	1.0	99,293
ASSISTANT SUPERVISOR OF EXAMINATIONS	0AB35A	3.0	271,149	3.0	273,822
STATE CHIEF BANK EXAMINER	00139A	1.0	83,880	1.0	86,984
PRINCIPAL BANK EXAMINER	0AB31A	3.0	230,606	3.0	230,606
SENIOR BANK EXAMINER	0AB28A	4.0	239,309	4.0	246,006
BANK EXAMINER	0AB24A	3.0	140,245	3.0	144,747
LICENSING AIDE	0AB15A	1.0	45,630	1.0	45,630
Subtotal		16.0	\$1,110,112	16.0	\$1,127,088
Turnover		-	(69,401)	-	(22,541)
Subtotal		-	(\$69,401)	-	(\$22,541)
Total Salaries		16.0	\$1,040,711	16.0	\$1,104,547
Benefits					
Payroll Accrual			5,982		6,336
FICA			79,616		84,498
Retiree Health			62,131		66,052
Health Benefits			202,639		230,527
Retirement			273,432		286,506
Subtotal			\$623,800		\$673,919
Total Salaries and Benefits		16.0	\$1,664,511	16.0	\$1,778,466
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$104,032		\$111,154
Statewide Benefit Assessment			\$46,765		\$46,390
Payroll Costs		16.0	\$1,711,276	16.0	\$1,824,856
Purchased Services					
Clerical and Temporary Services			720		720
Other Contracts			640		640
Subtotal			\$1,360		\$1,360
Total Personnel		16.0	\$1,712,636	16.0	\$1,826,216
Distribution By Source Of Funds					
General Revenue		16.0	\$1,712,636	16.0	\$1,826,216
Total All Funds		16.0	\$1,712,636	16.0	\$1,826,216

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 2016, the division processed approximately 131,256 licenses and 14,844 registrations, conducted fifteen (15) on-site examinations of broker dealers and investment advisers, investigated 31 complaints, and instituted Five (5) 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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	898,519	856,076	1,094,028	989,896	989,364
Total Expenditures	\$898,519	\$856,076	\$1,094,028	\$989,896	\$989,364
Expenditures By Object					
Personnel	887,189	838,993	1,064,409	960,277	959,745
Operating Supplies and Expenses	11,240	16,615	29,619	29,619	29,619
Subtotal: Operating Expenditures	898,429	855,608	1,094,028	989,896	989,364
Capital Purchases and Equipment	90	468	-	-	-
Total Expenditures	\$898,519	\$856,076	\$1,094,028	\$989,896	\$989,364
Expenditures By Funds					
General Revenue	897,502	854,883	1,079,028	974,896	974,364
Restricted Receipts	1,017	1,193	15,000	15,000	15,000
Total Expenditures	\$898,519	\$856,076	\$1,094,028	\$989,896	\$989,364

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 investigate complaints to ensure consumers are treated fairly.

Program Description

The Insurance Division is responsible for conducting financial examinations of the 27 domestic insurance companies to ensure financial solvency and is also responsible for overseeing the market conduct of domestic or foreign insurance companies to ensure compliance with the insurance statutes and regulations. The Division also performs several licensing functions including, but not limited to, the licensing of over 1,300 insurance companies, over 120,000 insurance 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 protect consumers and 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, June 2009, and in June 2014, 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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	4,961,419	4,414,197	5,786,060	5,606,970	5,851,931
Total Expenditures	\$4,961,419	\$4,414,197	\$5,786,060	\$5,606,970	\$5,851,931
Expenditures By Object					
Personnel	4,779,514	4,247,807	5,594,688	5,415,598	5,660,559
Operating Supplies and Expenses	172,184	144,874	187,872	187,872	187,872
Subtotal: Operating Expenditures	4,951,698	4,392,681	5,782,560	5,603,470	5,848,431
Capital Purchases and Equipment	9,721	21,516	3,500	3,500	3,500
Total Expenditures	\$4,961,419	\$4,414,197	\$5,786,060	\$5,606,970	\$5,851,931
Expenditures By Funds					
General Revenue	3,582,033	3,064,604	3,993,494	3,807,033	4,025,436
Restricted Receipts	1,379,386	1,349,593	1,792,566	1,799,937	1,826,495
Total Expenditures	\$4,961,419	\$4,414,197	\$5,786,060	\$5,606,970	\$5,851,931

Personnel

Department Of Business Regulation Insurance Regulation

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified					
DEPUTY DIRECTOR DEPARTMENT OF BUSINESS	00144A	1.0	127,434	1.0	132,668
ASSOCIATE DIRECTOR AND SUPERINTENDENT OF	00141A	2.0	250,727	2.0	250,727
CHIEF INSURANCE EXAMINER	00139A	1.0	112,068	1.0	112,068
INSURANCE EXAMINER-IN-CHARGE	0AB36A	7.0	687,494	7.0	690,265
DEPUTY CHIEF OF LEGAL SERVICES	00137A	1.0	79,105	1.0	81,997
PRINCIPAL INSURANCE ANALYST	0AB31A	3.0	229,264	3.0	231,611
PRINCIPAL INSURANCE EXAMINER	0AB31A	2.0	152,249	2.0	152,407
SENIOR INSURANCE ANALYST	0AB28A	1.0	69,743	1.0	73,531
SENIOR INSURANCE EXAMINER	0AB28A	3.0	188,061	3.0	192,057
ASSISTANT ADMINISTRATIVE OFFICER	00121A	1.0	57,514	1.0	57,514
INSURANCE ANALYST	0AB24A	2.0	105,396	2.0	107,412
INSURANCE EXAMINER	0AB24A	6.0	293,548	6.0	298,753
CLERK SECRETARY	0AB16A	1.0	48,744	1.0	48,744
LICENSING AIDE	0AB15A	4.0	159,050	4.0	160,526
Subtotal		35.0	\$2,560,397	35.0	\$2,590,280
Unclassified					
SENIOR ACCOUNTANT	00822A	1.0	55,176	1.0	56,170
Subtotal		1.0	\$55,176	1.0	\$56,170
Turnover		-	(151,020)	-	(50,098)
Subtotal		-	(\$151,020)	-	(\$50,098)
Total Salaries		36.0	\$2,464,553	36.0	\$2,596,352
Benefits					
Payroll Accrual			14,090		14,804
FICA			186,705		196,861
Retiree Health			146,365		154,357
Health Benefits			393,403		456,097
Retirement			639,188		664,853
Subtotal			\$1,379,751		\$1,486,972
Total Salaries and Benefits		36.0	\$3,844,304	36.0	\$4,083,324
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$106,786		\$113,426
Statewide Benefit Assessment			\$110,522		\$109,188
Payroll Costs		36.0	\$3,954,826	36.0	\$4,192,512

Personnel

Department Of Business Regulation Insurance Regulation

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Purchased Services					
Clerical and Temporary Services			200		200
Management & Consultant Services			1,448,125		1,455,400
Legal Services			2,448		2,448
Training and Educational Services			10,000		10,000
Subtotal			\$1,460,773		\$1,468,048
Total Personnel		36.0	\$5,415,598	36.0	\$5,660,559
Distribution By Source Of Funds					
General Revenue		33.8	\$3,726,221	33.8	\$3,944,624
Restricted Receipts		2.3	\$1,689,377	2.3	\$1,715,935
Total All Funds		36.0	\$5,415,598	36.0	\$5,660,559

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 DBR 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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	4,487	5,782	6,000	6,000	6,000
Total Expenditures	\$4,487	\$5,782	\$6,000	\$6,000	\$6,000
Expenditures By Object					
Operating Supplies and Expenses	4,484	5,782	6,000	6,000	6,000
Subtotal: Operating Expenditures	4,484	5,782	6,000	6,000	6,000
Capital Purchases and Equipment	3	-	-	-	-
Total Expenditures	\$4,487	\$5,782	\$6,000	\$6,000	\$6,000
Expenditures By Funds					
General Revenue	4,487	5,782	6,000	6,000	6,000
Total Expenditures	\$4,487	\$5,782	\$6,000	\$6,000	\$6,000

The Program

Department Of Business Regulation

Commercial Licensing and Gaming and Athletics Licensing

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 and Gaming and Athletics Licensing

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	1,093,425	1,237,470	2,944,868	3,238,385	2,671,652
Total Expenditures	\$1,093,425	\$1,237,470	\$2,944,868	\$3,238,385	\$2,671,652
Expenditures By Object					
Personnel	1,035,962	1,183,548	1,581,582	1,936,061	2,108,366
Operating Supplies and Expenses	57,363	49,403	80,085	80,085	455,085
Assistance and Grants	-	-	80,000	80,000	80,000
Subtotal: Operating Expenditures	1,093,325	1,232,951	1,741,667	2,096,146	2,643,451
Capital Purchases and Equipment	100	4,519	1,203,201	1,142,239	28,201
Total Expenditures	\$1,093,425	\$1,237,470	\$2,944,868	\$3,238,385	\$2,671,652
Expenditures By Funds					
General Revenue	620,139	670,159	638,207	872,102	893,038
Restricted Receipts	473,286	567,311	2,306,661	2,366,283	1,778,614
Total Expenditures	\$1,093,425	\$1,237,470	\$2,944,868	\$3,238,385	\$2,671,652

Personnel

Department Of Business Regulation Commercial Licensing and Gaming and Athletics Licensing

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified					
ASSOCIATE DIRECTOR DIVISION OF COMMERCIAL	00141A	1.0	118,079	1.0	120,813
ADMINISTRATOR REAL ESTATE	00135A	1.0	93,204	1.0	93,204
PRINCIPAL ECONOMIC AND POLICY ANALYST	00138A	1.0	81,017	1.0	83,979
CHIEF LICENSING EXAMINER-RACING &	00133A	1.0	79,154	1.0	79,154
LEGAL COUNSEL	00132A	1.0	72,473	1.0	72,473
CHIEF PUBLIC PROTECTION INSPECTOR	0AB32A	3.0	206,983	3.0	211,761
IMPLEMENTATION AIDE	0AB22A	1.0	57,648	1.0	57,648
PARI-MUTUAL OPERATIONS SPECIALIST	03726A	4.0	210,109	4.0	215,496
SYSTEMS ANALYST	00124A	1.0	50,100	1.0	51,671
LICENSING AIDE	0AB15A	4.0	166,168	4.0	166,906
FISCAL CLERK	00014A	1.0	20,452	1.0	20,876
Subtotal		19.0	\$1,155,387	19.0	\$1,173,981
Cost Allocation from Other Programs		0.8	89,449	0.8	89,838
Temporary and Seasonal		-	10,851	-	14,468
Turnover		-	(92,232)	-	(9,918)
Subtotal		0.8	\$8,068	0.8	\$94,388
Total Salaries		19.8	\$1,163,455	19.8	\$1,268,369
Benefits					
Payroll Accrual			6,605		7,170
FICA			88,654		96,750
Retiree Health			68,809		74,984
Health Benefits			250,624		277,558
Retirement			303,472		325,891
Subtotal			\$718,164		\$782,353
Total Salaries and Benefits		19.8	\$1,881,619	19.8	\$2,050,722
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$94,722		\$103,101
Statewide Benefit Assessment			\$53,402		\$56,603
Payroll Costs		19.8	\$1,935,021	19.8	\$2,107,325
Purchased Services					
Clerical and Temporary Services			640		640
Other Contracts			400		400
Subtotal			\$1,040		\$1,040
Total Personnel		19.8	\$1,936,061	19.8	\$2,108,366
Distribution By Source Of Funds					
General Revenue		9.8	\$861,476	9.8	\$882,412
Restricted Receipts		10.0	\$1,074,585	10.0	\$1,225,954
Total All Funds		19.8	\$1,936,061	19.8	\$2,108,366

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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	258,827	265,343	273,080	356,246	362,455
Total Expenditures	\$258,827	\$265,343	\$273,080	\$356,246	\$362,455
Expenditures By Object					
Personnel	206,209	211,574	215,527	298,693	304,902
Operating Supplies and Expenses	52,603	53,635	57,553	57,553	57,553
Subtotal: Operating Expenditures	258,812	265,209	273,080	356,246	362,455
Capital Purchases and Equipment	15	134	-	-	-
Total Expenditures	\$258,827	\$265,343	\$273,080	\$356,246	\$362,455
Expenditures By Funds					
General Revenue	258,827	265,343	273,080	356,246	362,455
Total Expenditures	\$258,827	\$265,343	\$273,080	\$356,246	\$362,455

Personnel

Department Of Business Regulation Boards for Design Professionals

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Unclassified					
ADMINISTRATIVE SUPPORT SPECIALIST	00324A	1.0	68,740	1.0	69,349
ADMINISTRATIVE ASSISTANT	00823A	2.0	116,091	2.0	117,932
Subtotal		3.0	\$184,831	3.0	\$187,281
Turnover		-	(1,893)	-	-
Subtotal		-	(\$1,893)	-	-
Total Salaries		3.0	\$182,938	3.0	\$187,281
Benefits					
Payroll Accrual			1,051		1,075
FICA			13,995		14,327
Retiree Health			10,922		11,200
Health Benefits			33,538		34,622
Retirement			46,829		47,331
Subtotal			\$106,335		\$108,555
Total Salaries and Benefits		3.0	\$289,273	3.0	\$295,836
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$96,424		\$98,612
Statewide Benefit Assessment			\$8,220		\$7,866
Payroll Costs		3.0	\$297,493	3.0	\$303,702
Purchased Services					
Clerical and Temporary Services			1,200		1,200
Subtotal			\$1,200		\$1,200
Total Personnel		3.0	\$298,693	3.0	\$304,902
Distribution By Source Of Funds					
General Revenue		3.0	\$298,693	3.0	\$304,902
Total All Funds		3.0	\$298,693	3.0	\$304,902

The Program

Department Of Business Regulation Office of Health Insurance Commissioner

Program Mission

While ensuring the solvency of health insurers, the Office of the Health Insurance Commissioner strives to protect consumers, encourage the fair treatment of providers, and work collaboratively with all interested parties to improve the health care system's quality, accessibility, and affordability.

Program Description

The Office of the Health Insurance Commissioner (OHIC) is the first state agency dedicated solely to health insurance oversight – balancing traditional regulation with policy development. OHIC's core functions include: (1) consumer protection and market conduct; (2) health plan form and rate review across multiple health insurance lines of business (3) statutory and regulatory enforcement; and (4) policy development for health care system reform. OHIC oversees health insurer business practices in a market comprising over one billion dollars of premium.

The Department of Business Regulation shares certain administrative and regulatory services and personnel with the Office of the Health Insurance Commissioner 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

	2015 Audited	2016 Audited	2017 Enacted	2017 Revised	2018 Recommend
Expenditures By Subprogram					
Operations	2,640,165	3,551,977	2,561,271	3,470,472	2,735,299
Total Expenditures	\$2,640,165	\$3,551,977	\$2,561,271	\$3,470,472	\$2,735,299
Expenditures By Object					
Personnel	2,616,814	3,501,424	2,487,021	3,412,315	2,671,762
Operating Supplies and Expenses	22,068	45,920	74,250	58,157	63,537
Subtotal: Operating Expenditures	2,638,882	3,547,344	2,561,271	3,470,472	2,735,299
Capital Purchases and Equipment	1,283	4,633	-	-	-
Total Expenditures	\$2,640,165	\$3,551,977	\$2,561,271	\$3,470,472	\$2,735,299
Expenditures By Funds					
General Revenue	419,595	470,036	1,449,061	1,447,576	1,614,318
Federal Funds	2,216,757	3,073,024	1,100,710	2,011,396	892,213
Restricted Receipts	3,813	8,917	11,500	11,500	228,768
Total Expenditures	\$2,640,165	\$3,551,977	\$2,561,271	\$3,470,472	\$2,735,299

Personnel

Department Of Business Regulation Office of Health Insurance Commissioner

	Grade	FY 2017		FY 2018	
		FTE	Cost	FTE	Cost
Classified					
HEALTH ECONOMICS SPECIALIST	00131A	-	-	2.0	127,676
Subtotal		-	-	2.0	\$127,676
Unclassified					
HEALTH INSURANCE COMMISSIONER	00854A	1.0	195,430	1.0	195,430
EXECUTIVE ASSISTANT/CHIEF OF STAFF	00841A	1.0	123,907	1.0	123,907
DEPUTY EXECUTIVE	00841A	1.0	116,243	1.0	121,487
ASSOCIATE DIRECTOR FOR PLANNING, POLICY & ASSISTANT DIRECTOR POLICY OFFICE	00843A	2.0	221,806	-	-
PRINCIPAL POLICY ASSOCIATE	00839A	1.0	103,109	1.0	103,109
EXECUTIVE DIRECTOR	00837A	3.0	296,215	3.0	293,091
SPECIAL PROJECTS COORDINATOR	00836A	1.0	83,741	1.0	86,802
PRINCIPAL PLANNING AND PROGRAM SPECIALIST	00829A	1.0	73,415	1.0	66,328
ADMINISTRATIVE OFFICER	00828A	1.0	66,413	1.0	67,199
ADMINISTRATIVE OFFICER	00822A	1.0	50,157	1.0	52,428
Subtotal		13.0	\$1,330,436	11.0	\$1,109,781
Turnover		-	(183,263)	-	-
Subtotal		-	(\$183,263)	-	-
Total Salaries		13.0	\$1,147,173	13.0	\$1,237,457
Benefits					
Payroll Accrual			6,602		7,134
FICA			83,178		90,305
Retiree Health			68,487		74,000
Health Benefits			164,266		162,953
Retirement			303,010		320,959
Subtotal			\$625,543		\$655,351
Total Salaries and Benefits		13.0	\$1,772,716	13.0	\$1,892,808
Cost Per FTE Position (Excluding Temporary and Seasonal)			\$136,363		\$145,601
Statewide Benefit Assessment			\$53,006		\$55,147
Payroll Costs		13.0	\$1,825,722	13.0	\$1,947,955
Purchased Services					
Management & Consultant Services			1,586,593		723,807
Subtotal			\$1,586,593		\$723,807
Total Personnel		13.0	\$3,412,315	13.0	\$2,671,762
Distribution By Source Of Funds					
General Revenue		5.3	\$1,413,091	6.0	\$1,565,938
Federal Funds		7.7	\$1,999,224	5.0	\$888,556
Restricted Receipts		-	-	2.0	\$217,268
Total All Funds		13.0	\$3,412,315	13.0	\$2,671,762