

**BEFORE THE INSURANCE COMMISSIONER
FOR THE ESTATE OF ARKANSAS**

**IN THE MATTER OF
JAMES BROUSSARD,
License No. 0016330252**

and

**Broussard Funeral Home,
Respondents**

A.I.D. ORDER NO, 2016-000

CONSENT ORDER OF REVOCATION OF LICENSE AND PERMIT

Now on this day before Allen Kerr, the Insurance Commissioner for the State of Arkansas (“Commissioner”) and James Broussard and Broussard Funeral Home (“Respondents”), who have reached an agreement concerning the resident funeral expense license (“funeral expense license”) issued to Respondent Broussard, and the Prepaid Funeral Benefits Permit (“permit”) issued to Respondent Broussard Funeral Home by the Arkansas Insurance Department (“Department”). The Commissioner is represented by Amanda Gibson, Associate Counsel. Respondents voluntarily waived their right to a hearing and consent to the entry of this Consent Order of Revocation of License and Permit. From the facts and law before the Commissioner, he finds as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner’s acceptance and has no force or effect until such acceptance is evidenced by the entry of the Commissioner.
2. This Consent Order is executed for the purpose of avoiding further administrative time, expense, and action with respect to this cause.

3. Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts or omissions not specifically addressed in this Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Having the right to consult with legal counsel, Respondents expressly waive all further procedural steps, and expressly waive all rights to seek judicial review of, or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Order by the Commissioner. This Order is executed in the public interest, in the best interests of the parties hereto, and it represents a compromise and settlement of the controversy between the parties. This Order is for settlement purposes only.

5. By their signatures affixed below, Respondents affirmatively state that they have freely agreed to the entry of this Consent Order, that they have been advised that they may consult legal counsel and have had the opportunity to consult with legal counsel, that they waive their right to a hearing on the matters underlying this Consent Order, and that no threats or promises of any kind have been made by the Commissioner, the Department, or any agent or representative thereof.

6. The parties, by executing this Consent Order, affirmatively state their agreement to be bound by the terms of this Order and aver that no promises or offers relating to the circumstances described herein have been made, other than the terms of settlement set forth in this Order, are binding upon them.

7. Respondents acknowledge and admit that they are no longer able to meet the requirements necessary to qualify for a funeral expense license and prepaid funeral benefits permit.

8. Respondents acknowledge that the purpose of this Consent Order is to revoke the funeral expense license and prepaid funeral benefits permit. Execution of this Consent Order in no way limits the Department's ongoing criminal investigation into this matter, nor does this Order preclude any criminal punishment that may result from the ongoing investigation.

FINDINGS OF FACT

1. Respondents' now defunct business, Broussard Funeral Home, was located at 3323 East 6th St., Russellville, Arkansas. Respondent James Broussard was the owner of the funeral home.

2. Respondent Broussard previously was licensed by the Department as a resident funeral expense insurance producer, License Number 0016330252. That license expired September 21, 2013.

3. Respondent Broussard Funeral Home was previously issued a prepaid funeral benefits permit. That permit expired May 31, 2016.

4. In April 2016, the Department became aware of the possibility that Respondent Broussard had misappropriated consumer funds.

5. Upon investigation into this matter, the Department ultimately concluded that Respondent Broussard had misappropriated \$94,717.17 in consumer funds.

6. At the investigative conference in this matter, Respondent Broussard admitted commingling trust funds and operating funds, and that with the financial strain that was put on the funeral home, that he had to "rob Peter to pay Paul."

CONCLUSIONS OF LAW

1. Ark. Code Ann. § 23-60-101, *et. seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Insurance Commissioner. The Department is the lawful agency through which the Commissioner administers the Arkansas Insurance Code, and is authorized to bring this action for the protection of Arkansas consumers.
2. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-40-107(a), 23-40-108, and 23-61-103.
3. The Arkansas Producer Licensing Model Act, codified at Ark. Code Ann. § 23-64-501 *et. seq.*, governs Respondent Broussard's funeral expense license.
4. More specifically, Ark. Code Ann. § 23-64-506(e)(1) requires that in order to obtain or renew a producer's license, the producer "must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation." Further, Ark. Code Ann. § 23-64-506(e)(2) provides that "qualifications for licensure under this section must continue in order to remain licensed."
5. Ark. Code Ann. § 23-64-512(a) allows the Commissioner to "place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with § 23-64-216 or any combination of actions for any one (1) or more of the following causes...(4) improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business;"
6. Respondent Broussard Funeral Home can no longer be considered to meet the qualifications of Ark. Code Ann. § 23-40-111(a)(2) which requires the organization to be "deemed by the commissioner to be competent, trustworthy, and financially responsible to engage in the sale of prepaid funeral contracts in this state."

7. In light of the foregoing Findings of Fact and the evidence that Respondent Broussard misappropriated a significant amount of consumer funds, Respondents do not meet the statutory prerequisites and qualifications to hold a funeral expense license and prepaid funeral benefits permit in the state of Arkansas.

8. The Commissioner hereby concludes that the facts set forth in the Findings of Fact, above, provide grounds for the issuance of this Order.

ORDER

NOW THEREFORE, on the basis of the foregoing and the waiver of the Respondent of his rights to a hearing and appeal under the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201 *et. seq.*, and the admission by Respondents of the jurisdiction of the Commissioner, the Commissioner finds that the Respondent has consented to entry of this Order and that the following Order is appropriate and in the public interest.

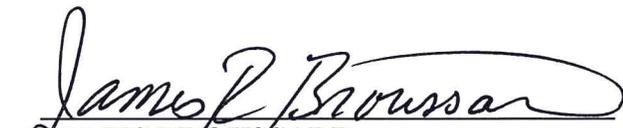
IT IS HEREBY ORDERED that:

1. Respondent Broussard's funeral expense license is hereby revoked.
2. Respondent Broussard Funeral Home's prepaid funeral benefits permit is hereby revoked.
3. Respondents are prohibited from selling any funeral expense policies and prepaid funeral benefits contracts in the state of Arkansas.
4. The Department reserves the right to amend and/or supplement the facts contained in this Order to include violations of state law, with notice to Respondents.

IT IS SO ORDERED, DIRECTED AND AGREED TO AS OF THE 31st DAY
OF OCTOBER, 2016.



ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS



JAMES BROUSSARD
Individually, and on behalf of
Broussard Funeral Home