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BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of AMERICAN CHEVROLET-GEO, Appellant, From a Decision of THE WORKERS' COMPENSATION INSURANCE RATING BUREAU OF CALIFORNIA, Respondent.	FILE NO. ALB-WCA-94-3 **PROPOSED DECISION**

American Chevrolet-Geo, Inc., appeals the Workers' Compensation Insurance Rating Bureau's ("Rating Bureau") determination of appellant's workers' compensation insurance experience modification.[1] The Rating Bureau, a licensed rating organization within the meaning of Insurance Code section 11750.1, serves as the Insurance Commissioner's designated statistical agent under Insurance Code section 11751.5 and administers the California Workers' Compensation Experience Rating Plan ("Rating Plan"). This appeal from a decision of the

[1] The Rating Bureau decision challenged by appellant is set forth in the Rating Bureau's Classification and Rating Committee minutes of appellant's March 8, 1994, hearing before the committee. (Exhibit 1, at pp. 15-18.)

Rating Bureau and the Commissioner's authority to determine the matters here presented are authorized by Insurance Code section 11753.1.

An evidentiary hearing on American Chevrolet-Geo's appeal was held before Administrative Law Judge Michael D. Jacobs in San Francisco on November 29, 1994. Boyd C. Sleeth, Esq., of the law firm Crosby, Heafy, Roach & May, appeared as counsel for appellant. David Halvorson, appeared in his capacity as appellant's corporate president. Respondent Rating Bureau was represented by John N. Frye, Esq, of the Law Firm Frye & Alberts, Rating Bureau Senior Staff Attorney Brenda J. Keys, Esq., and Peter E. Murray, the Rating Bureau's Senior Vice President.

At the hearing the parties called and cross-examined witnesses and presented documentary evidence. After the hearing, appellant submitted additional documents requested by the administrative law judge, including American Chevrolet-Geo's certificate of incorporation (Exhibit "D"), corporate bylaws (Exhibit "E"), and a preferred stock certificate exemplar (Exhibit "F"). These documents have been admitted into evidence. The parties filed pre-hearing and post-hearing briefs. The parties have submitted the matter and the case is now ready for decision.

SUMMARY OF DECISION

American Chevrolet-Geo, Inc., a Delaware corporation, does business in Modesto, California, as a General Motors franchise automobile dealership. The corporation was created by investors William Halvorson and General Motors Corporation (Motors Holding Division) (herein "General Motors" or "GM"[2]). William Halvorson, the dealership operator, provided investment capital to the dealership by purchasing 100 percent of the corporation's common stock. General Motors invested in the dealership by purchasing 100 percent of its preferred stock. As the preferred shareholder, General Motors acquired voting control of the new dealer company under the provisions of the corporate charter.

The Rating Bureau determined that GM and the new dealer company constituted a single risk for experience rating purposes as General Motors owned a majority of American Chevrolet-Geo voting stock. The Rating Bureau's determination was based on Section III, rule (9), of the Rating Plan,[3] which requires separate entities to be combined for experience rating purposes when the same person or persons own a majority interest in each of the entities. The Rating Bureau applied General Motors'

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[2] General Motors, a Delaware corporation, conducts business operations in the State of California.

[3] The Plan is promulgated as part of the Insurance Commissioner's regulations. (Cal. Code Regs., tit. 10, § 2353, repealed effective January 1, 1995, with respect to experience ratings becoming effective on or after that date. Effective January 1, 1995, the Rating Plan is promulgated under Cal. Code Regs., tit. 10, § 2353.1.)

experience rating (175%) to American Chevrolet-Geo when American Chevrolet-Geo's experience modification became effective on September 1, 1992. Appellant argues the Rating Bureau erred in applying General Motors' experience modification to American Chevrolet-Geo in the determination of appellant's workers' compensation insurance premium. Appellant contends General Motors' purchase of the company's preferred stock does not represent a true ownership interest in the business but merely serves as a device for securing a loan to the true beneficial owner, the dealership operator.

For the reasons set forth in this decision we conclude General Motors owns a majority interest in American Chevrolet-Geo and therefore the Rating Plan requires the Rating Bureau to combine the two entities for experience rating purposes. We affirm the Rating Bureau's decision.

FINDINGS OF FACT

The Investors' Relationship to American Chevrolet-Geo

American Chevrolet Geo opened for business as a General Motors franchise automobile dealership in July 1990. To finance the new dealership, William Halvorson successfully applied for a capital investment by General Motors through GM's long-

established dealer investment plan.[4] Through its dealer investment plan GM supplements the capital resources of qualified new and existing GM dealerships. The investment plan requires dealer operators to organize a new corporation with GM and also requires the incorporators to make their respective capital contributions in the form of capital stock purchases. At a minimum, the dealer operator is required to provide 15 percent of the total required capital (other than capital provided for the purchase of real property). GM provides the balance of the capital which the dealer operator in consultation with GM determines is required by the dealer company.

As stipulated by GM's investment plan, GM and the dealer operator, Mr. Halvorson, formed a new corporation and entered into a shareholders' agreement between themselves and the corporation, defining their respective rights, powers, and duties. They formed American Chevrolet-Geo, Inc., in June 1990 under the State of Delaware General Corporation Law.[5] Initial capital for the new enterprise was provided by a majority

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[4] Appellant's Exhibit "A", a booklet published by GM, describes the dealer investment plan in detail.

[5] The General Corporation Law of the State of Delaware (cited herein as Del. Gen. Corp. Law) is contained in title 8, chapter 1, of the Delaware Code (56 Del. Laws, ch. 50). American Chevrolet-Geo came into existence as a corporate body on June 6, 1990, when the investors filed the certificate of incorporation with the Delaware Secretary of State. (Del. Gen. Corp. Law, § 106.)

investment from GM and the balance from Mr. Halvorson. In December 1991 William Halvorson sold his interest in the corporation to his son, David Halvorson.

American Chevrolet-Geo's certificate of incorporation ("charter") authorizes the corporation to issue two classes of capital stock, common and preferred, and grants distinct rights to the two classes of shareholders. Preferred shareholders are entitled to receive quarterly dividends when the company's net worth exceeds a specified level. Common shareholders receive no dividends so long as any preferred stock is outstanding. Preferred and common shareholders vote as a single class to elect directors and on all other matters subject to shareholder vote. As long as any preferred stock is outstanding voting control of the corporation vests with preferred shareholders. The charter grants 75 votes to preferred shareholders as a group; common shareholders as a group are granted 25 votes. Preferred stock must be redeemed by the company at a price of $100 per share following each quarter when the company's net worth exceeds a specified amount. When 2,200 shares of preferred stock remain outstanding (termed the "reduction date"), the company must promptly redeem all remaining preferred shares. If the remaining preferred shares are redeemed more than 90 days after the reduction date, the final redemption price is $100 per share or an amount based on the book value per share, whichever amount is greater. In the event the corporation is dissolved, the shareholders are entitled to a pro rata distribution of the

company's residual equity according to the aggregate book value of the shares held by each stockholder.

Pursuant to the stockholders' agreement (appellant's Exh. "B") David Halvorson subscribed for all 2,750 shares of authorized common stock at a price of $100 per share. General Motors subscribed for all 11,000 shares of authorized preferred stock at $100 per share. The sum of these investments represented the total capitalization of American Chevrolet-Geo when David Halvorson acquired his father's interest as the company's sole common shareholder in December 1991.

American Chevrolet-Geo's Board of Directors and Officers

As provided in American Chevrolet-Geo's bylaws the shareholders elected three members to the new dealer company's board of directors. Presently, the board comprises two GM representatives and David Halvorson. The directors in turn elected the corporate officers and, as contemplated by GM's dealer investment plan, named the dealer operator, Mr. Halvorson, company president. The bylaws provide for annual election of officers and grant the board the power to remove any officer at any time, with or without cause. (Bylaws, Art. V, Sec. 5.3.)

Article V, Section 5.5, of the bylaws defines the duties of the company president:

> "The president will be the corporation's chief executive officer and will (a) be responsible for the corporation's profitability, have general charge of its

> business, affairs and property and control over its officers, agents and employees (subject to the board's powers and the limitations set forth in these by-laws), (b) cause the maintenance of the corporation's books and records in accordance with procedures approved by the board, (c) execute bonds, mortgages and other contracts (except when any such document is required by law to be executed in another manner, and except where the board has expressly delegated to some other officer or agent the authority to execute that document on the corporation's behalf), and (d) see that all of the board's orders and resolutions are carried into effect. The president will have those powers and perform those other duties which the board or these by-laws prescribe."

Other corporate officers, including vice-presidents, secretary, treasurer, and assistant officers, are also given specific powers and duties in the bylaws.

In addition to the power to elect directors, the bylaws accord GM, as holder of a majority of the voting shares, plenary control over the company's corporate structure and overall business affairs:

> "Without the vote or written consent of the holders of shares with a majority of the corporation's voting power, neither the officers nor the board may (a) amend the certificate of incorporation or the by-laws, (b) increase or decrease the corporation's capital or redeem any shares of the corporation's capital stock (other than pursuant to the certificate of incorporation), (c) establish a subsidiary corporation, (d) authorize the corporation to acquire real property and/or construct facilities, (e) enter into any lease which extends over a period longer than thirty-six (36) months, (f) relocate the corporation's operations, (g) pledge hypothecate, or otherwise encumber the corporation's assets except new and used vehicles encumbered in the normal course of business or fixed assets acquired by means of secured borrowing, (h) sell all or substantially all of the corporation's assets, (i) liquidate, dissolve or otherwise wind up the corporation's affairs, (j) engage in a business other than the dealership of motor vehicles, or (k)

enter into lease purchase agreement or fixed asset purchase by means of secured borrowing which exceeds or which would cause the aggregate of all such arrangements outstanding to exceed 20% of the corporation's current franchise capital." (Bylaws, Art. VII, Sec. 7.1.)

GM, represented by a majority of the board, also controls the officers' ability to execute contracts and other instruments on behalf of the company:

> "Without the board's prior written authorization, the officers may not enter into any lease, purchase or rental contract or arrangement, bill of sale, power of attorney, deed, mortgage or similar instrument, contract of employment for a period in excess of one month, or any commitment or act outside of the normal course of the corporation's business. The president (or any other person designated by the president in writing,) may execute on the corporation's behalf all other contracts, including contracts and/or orders for the purchase or sale of new and/or used products which the corporation is authorized to sell." (Bylaws, Art. VII, Sec. 7.2).

Experience Rating Regulations

General Motors' total payroll amount in California qualifies GM's workers' compensation insurance premium for experience rating under the Rating Plan. (Plan, Sec. III, para. (1).) GM's insured operations in California are therefore required to be rated in accordance with the Plan (Plan, Sec. I, paras. (1) and (5)).

"Experience rating" is defined in the California Workers' Compensation Insurance Manual (Manual)[6] as follows: "The term

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[6] The Manual is promulgated as part of the Insurance Commissioner's regulations at title 10, California Code of Regulations, section 2350.

'Experience Rating' shall mean that type of merit rating approved by the Insurance Commissioner under which previous years' loss experience of the particular employer is used to develop an experience modification to apply to the premium which has been computed using the Manual rates." (Manual, Sec. II, para. 17.)

The Rating Plan implements the workers' compensation insurance merit rating system approved by the Insurance Commissioner pursuant to former Insurance Code section 11732.[7] (Manual, Sec. II, para. 17.) Under the Rating Plan, an experience modification is calculated based on the employer's loss and payroll experience over a three-year period. (Plan, Sec. III, para. (2).)

When separate entities[8] share common ownership, Rating Plan Section III, rule (9), requires the entities to be combined for experience rating purposes:

> "Separate entities shall be combined for experience rating purposes when the same person or persons own a majority interest in each of the entities."

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[7] Former Insurance Code section 11732, the experience rating enabling statute, was repealed effective January 1, 1995 (Stats. 1993, ch. 228 (S.B. 30), sec. 1). On the same date a new enabling statute, Insurance Code section 11734, became effective. The former section, which was in effect on September 1, 1992, when American Chevrolet-Geo qualified for its first experience modification, provided in part: "[The Insurance Commissioner] may ... approve a system of merit rating. Such ... system shall be uniform as to all insurers affected." (Former Ins. Code, § 11732.)

[8] As used in the Rating Plan, the term "entity" includes an individual, joint venture, partnership, corporation, unincorporated association, or fiduciary operation. (Plan, Sec. II, para. (4).)

The Plan prescribes the meaning to be given the term "ownership" as follows:

> "'Ownership', for purposes of experience rating, shall be determined as follows:
> "(a) ... If an entity other than a partnership or joint venture
> "1. has issued voting stock, ownership shall be determined by the number of voting shares each person owns; ...." (Plan, Sec. II, para. (6)(a)(1); emphasis added.)

If two or more entities are combined under Section III, rule (9), all insured operations of the entities within California are deemed a single risk by the Plan. (Plan, Sec. II, para. (I).) The Rating Plan prohibits the Rating Bureau from establishing more than one experience modification for single risk at the same time. (Plan, Sec. II, para. (11).)

Appellant's Contentions

Appellant advances the following arguments in support of its contention American Chevrolet-Geo should be considered a separate risk for purposes of experience rating and given its own experience modification. GM's purchase of American Chevrolet-Geo capital stock, appellant asserts, does not reflect an ownership investment but is rather a device to secure a loan to the dealer operator. The true beneficial owner of American Chevrolet-Geo is its sole common shareholder, David Halvorson. Mr. Halvorson operates the day-to-day business affairs, makes personnel decisions, implements the company's employee health and safety programs, and pays for workers' compensation insurance coverage.

Appellant challenges the Rating Bureau's mandatory construction of the rules that define "ownership" for experience rating purposes as ownership of a majority of voting shares (Plan, Sec. II, para. (6)(a)1; Sec. III, rule (9)). Appellant argues the word "shall", contained in Section II, paragraph (6)(a)1, should be construed as permissive rather than mandatory in order to promote the purposes of experience rating as expressed in the enabling legislation. In support of its position, appellant cites decisions in which the courts acknowledge the well-established rule of statutory construction that the word "shall" does not always import its usual mandatory meaning. "[W]hether a statute is mandatory or directory depends upon the legislative intent as ascertained from the consideration of the whole act...." (Governing Board of Palos Verdes Pen. U. Sch. Dist. v. Felt (1976) 55 Cal. App. 3d 156, 162; internal quotation marks omitted.)

The legislative goals of experience rating are expressed in Insurance Code section 11736, which became effective January 1, 1995: "The experience rating plan shall contain reasonable eligibility standards, provide adequate incentives for loss

prevention, and shall provide for sufficient premium differentials so as to encourage safety."[9]

According to appellant, the Rating Bureau's mandatory interpretation of "shall", as used in Rating Plan Section II, paragraph (6)(a)1, defeats the legislative purpose of experience rating:

> "By tying [American Chevrolet-Geo] to General Motors' massive operations in California, American's own health and safety experience has no measurable effect on its modification rate. Under this scheme, American's owner, David Halvorson, has no economic incentive through experience rating to invest in, promote or care about worker health and safety.[10] Likewise, because American's operations do not measurably affect its rating, General Motors has no economic incentive to care about American's health and safety experience." (Appellant's letter brief, filed with the Administrative Law Bureau October 12, 1994, at pp. 6-7.)

Appellant does not contend the provisions of the Rating Plan in question alter or impair the scope of the enabling statute and that the regulations are therefore invalid. The thrust of appellant's argument is that "[Rating Plan Section II, rule (6)(a)1,] must be interpreted to allow the [Rating Bureau] discretion to look beyond voting stock as necessary to place

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[9] We agree with appellant that the legislature enacted Insurance Code section 11736 pursuant to existing legislative policy. As we previously noted (see fn. 7, *ante*, p. 10) the former experience rating enabling statute, Insurance Code section 11732, was repealed effective January 1, 1995.

[10] In appellant's footnote 4, here paraphrased, appellant notes that Mr. Halvorson does in fact care about, promote, and invest in employee health and safety. Mr. Halvorson's hearing testimony established that he is indeed concerned about the safety of American Chevrolet-Geo's employees and that he has instituted an extensive company health and safety program. (Reporter's Transcript, p. 48.)

ownership of a business where it will provide incentives for employers for loss prevention and will encourage safety." (Appellant's reply brief, at p. 6.)

Discussion

The Purpose of Combining Entities for Experience Rating

Respondent Rating Bureau contends the Rating plan rules requiring combination of separate entities for experience rating purposes are "predicated on the rationale that the owners of a business constitute the 'employer', thus assume workers' compensation liability and exercise control over safety practices of the business ... [T]hose individuals or entities that hold voting stock are deemed to constitute the employer and exercise control." (Respondent's hearing brief, at p. 8.) "The basis for the rules is that voting stock ownership equals control." (Respondent's post-hearing brief, at p. 2.) We agree with the Rating Bureau's statement of the basis and purpose of the combination of entity rules and note that the Manual supports respondent's contention the owners of a business constitute the employer:

> "'Employer' as used in this Manual shall mean one or more entities meeting the ownership standards set forth in the California Experience Rating Plan for combination for experience rating purposes." (Manual, Rule II, para. 3.)

The Rating Plan's combination of entity rules bear a direct relationship to the cardinal policy objective of experience rating, which is to reduce work-related accidents statewide. The rules reflect the reality that business owners are solely ultimately responsible for worker safety and it is they who are most effectively able to respond to loss prevention incentives.

In the instant case, General Motors' ultimate power to control workplace safety at the dealership derives from the law governing American Chevrolet-Geo's corporate status and prescribing the respective powers of its shareholders and corporate agents. GM's control is further derived from the investors' stockholders' agreement and the company's corporate charter and bylaws. We are compelled to reject appellant's characterization of GM's relationship to American Chevrolet-Geo as one of a mere creditor because of the very nature of American Chevrolet-Geo's corporate status and the nature of the shareholders' respective legally-recognized proprietary interests in the corporation. At the moment the incorporators filed American Chevrolet-Geo's certificate of incorporation, an artificial legal entity distinct from its shareholders came into existence. (Del. Gen. Corp. Law, § 106; Scott-Douglas Corp. v. Greyhound Corp. (Del. 1973) 304 A.2d 309.) The Delaware Corporations Code liberally endows this artificial entity with express general powers to promote and attain its corporate purposes (§ 121) and with express specific powers (§ 122). Among the corporation's unique specific statutory powers is perpetual

succession (§ 121, subd. (1).) We note that Article Seven of American Chevrolet-Geo's charter provides for perpetual corporate existence.

Although neither Delaware nor California corporation statutes define "corporation",[11] a corporation's status as a distinct artificial being distinct from its shareholders has long been recognized by the courts. In the landmark Dartmouth College case, Chief Justice Marshall described a corporation as "an artificial being, invisible, intangible, and existing only in contemplation of law. Being the mere creature of law, it possesses only those properties which the charter of its creation confers upon it, either expressly or as an incidental to its very existence. These are such as are supposed best calculated to effect the object for which it was created. Among the most important are immortality, and if the expression may be allowed, individuality; properties by which a perpetual succession of many persons are considered as the same, and may act as a single individual." (Trustees of Dartmouth College v. Woodward, 17 U.S. 566, 4 L. Ed. 629.)

We find no merit to appellant's argument that American Chevrolet-Geo's corporate structure should be ignored and General Motors considered as merely a creditor rather than an owner of American Chevrolet-Geo for experience rating purposes. In determining American Chevrolet-Geo's experience modification, the

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[11] California Corporations Code section 162 refers to a "corporation" as one organized under the code or subject to the code's provisions.

Rating Bureau properly applied the Rating Plan rules to the company as a corporation; a legal entity separate from its two stockholders and under the control of the shareholder owning a majority of the voting stock. Except in cases involving an employer's subterfuge to evade the workers' compensation insurance laws,[12] the Rating Bureau, in administering the Rating Plan's combination-of-entity rules, has no discretion to consider the motives of a corporation's promoters for forming a corporation or the shareholders' motives for investing in it. To hold otherwise would contravene the express mandate of the Rating Plan rules. The Rating Bureau and the Insurance Commissioner, acting in a quasi-judicial capacity, are bound by the clear terms of the Rating Plan and may not add to or alter those terms to accomplish a purpose that does not appear on the face of the regulation.

"Shall" as Mandatory or Permissive

We interpret the regulations here in issue according to the same rules of construction applicable to statutory enactments: "A court is to interpret a regulation as it would a statute and is to construe it in light of the enabling statute's intendment. (1A Sutherland, Statutory Construction (4th ed. 1972) § 31.06,

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[12] Rating Plan, Section I, paragraph (6), proscribes subterfuge or device in any form to evade the provisions of the Plan.

pp. 361-362.)" (Blumenfeld v. San Francisco Bay Conservation and Development Commission (1974) 43 Cal. App. 3d 50, 58-59.)

We find the word "shall" as used in Rating Plan Section II, paragraph (6)(a)1, unequivocally evinces a mandatory meaning and must be interpreted as such to effectuate the purpose of the combination of entities regulation. The cases relied on by appellant in which the word "shall" is construed as permissive involve statutes which clearly did not contemplate a mandatory meaning; where mandatory construction would lead to an absurd result. That line of cases is here inapposite as we find the word "shall" must be construed as mandatory to effectuate the intent of the regulation. A permissive construction would in effect nullify the Rating Plan's combination of entity rules by leaving the Rating Bureau without a compass in a wilderness of corporate shareholders' subjective motivations and beliefs.

As noted by the Rating Bureau in its hearing brief (at p. 21), the Insurance Commissioner's inclusion of express exceptions in the combination of entities rule further persuade that Section II, paragraph (6)(a)1, is intended to be construed as mandatory. The exceptions are set forth in Section III, rule (9), as follows:

> "A risk in bankruptcy or receivership shall not be combined with any other entity for experience rating purposes unless (a) the other entity is a part of the same bankruptcy or receivership proceeding and under the same trustee or receiver or (b) the risk is being operated by the Debtor in Possession and the other entity is combinable with the debtor.
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> "Except as specified in the immediately preceding paragraph, a trust shall not be combined with any

> entity for experience rating purposes except: (a) if the parent or parents are the trustees of a trust set up for the benefit of their minor children, the trust shall be combined with the operations of the trustee; and (b) two or more trusts having identical trustees and identical beneficiaries shall be combined."

The Rating Bureau's brief correctly points out the apparent reason for these exceptions: "In the case of bankrupt entities, the court-appointed receiver or the debtor-in-possession, by operation of law, controls the business and, thus, has the final say in any employee safety matters. Likewise, trustees by law control trusts and all matters associated with them including, again, employee safety concerns." (*Ibid.*)

As plainly revealed by the express exceptions to the combination of entities rule and the clear and direct import of the terms of the rule itself, the rule is based on the principle that control over employee safety is an incident of ownership. In the instant case, General Motors has ultimate control of the business and affairs of American Chevrolet-Geo, including employee safety, as owner of a majority of the voting shares. Moreover, General Motors is represented on the board by a majority of directors, who are charged by law with the duty to manage the business and affairs of the corporation as trustees for the stockholders. (Del. Gen. Corp. Law, § 141, subd. (a); Gould v. American Hawaiian S.S. Co. (D. Del. 1972) 351 F. Supp. 853; Petty v. Penntech Papers, Inc. (Del. Ch. 1975) 347 A.2d 140; also Art. IV, Sec. 4.1, of American Chevrolet-Geo's bylaws.)

The evidence establishes that Mr. Halvorson's general charge of the business as corporate president is consistent with and

subject to the board's statutory management responsibility and General Motors' ultimate control of American Chevrolet-Geo. Pursuant to Delaware General Corporation Law section 142, subdivision (a), American Chevrolet-Geo's bylaws provide for the board's election of corporate officers, including the office of company president. The president's enumerated powers and duties to manage the day-to-day operations of the company are expressly subject to the board's powers and to the limitations set forth in the bylaws. (Bylaws, Art. V, Sec. 5.5.)

We reject appellant's argument that mandatory construction of the Rating Plan provision "ownership shall be determined by the number of voting shares each person owns" defeats the intent of experience rating enabling legislation under the facts of the present case. General Motors manifestly owns a majority interest in American Chevrolet-Geo for experience rating purposes.

DETERMINATION OF ISSUES

General Motors Corporation, as the owner of a majority of American Chevrolet-Geo voting stock, owns a majority interest in American Chevrolet-Geo within the meaning of Rating Plan, Section III, rule (9), and Section II, paragraph (6)(a)1. Pursuant to Section III, rule (9), of the Plan, the Rating Bureau properly combined General Motors and American Chevrolet-Geo as a single risk for experience rating purposes.

ORDER

The decision of the Workers' Compensation Insurance Rating Bureau is affirmed.

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I submit this proposed decision on the basis of the hearing held before me and I recommend its adoption as the decision of the Insurance Commissioner of the State of California

DATED: April 4, 1995

Michael Jacobs

MICHAEL D. JACOBS
Administrative Law Judge