Decision No. 37172

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GEORGE E. TRASK for confirmation of transfer of automobile passenger stage line operated between Sonora and Columbia, Tuolumne county, California.

Application No.19483

BY THE COMMISSION -

OPINION (5)

George E. Trask has made application to the Commission to confirm the verbal gift of George M. Trask to him of the operating right for the transportation of passengers and freight between Sonora and Columbia. This right was created by operation by G. M. Trask established prior to May 1, 1917, and has been continuously operated, with tariffs on file with this Commission. G.M. Trask was the father of George E. Trask and made verbal gift of the right and equipment to George E. Trask, his son, on May 27, 1930. Soon thereafter the father died and left no other estate. Applicant has continued the operation in ignorance of the necessity of formal transfer.

This is a matter in which a public hearing is not necessary.

The application will be granted.

George E. Trask is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

ORDER

IT IS HEREBY ORDERED that the gift of the operating right to transport passengers and property between Sonora and Columbia, as created by George M. Trask by bona fide operation pmor to May 1, 1917, as made verbally by said G. M. Trask on May 27,1930, to George E. Trask, be and the same hereby is approved and con -

firmed, subject to the following conditions: 1. Applicant George E. Trask shall within twenty (20) days after the effective date of the order file his adoption of the tariffs on file with the Commission covering service authorized to be transferred, accepting and establishing such tariffs and all effective supplements thereto. Applicant George E. Trask shall within twenty (20) days after the effective date of the order withdraw time schedules filed in the name of George M. Trask, and shall file, in duplicate, in his own name time schedules covering service heretofore given by George M. Trask, which time schedules shall be identical with the time schedules now on file with the Railroad Commission in the name of George M. Trask, or time schedules satis factory to the Railroad Commission. 3. The rights and privileges herein authorized may not be sold, leased, transferred nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured. 4. No vehicle may be operated by applicant George E. Trask unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission. 5. The authority hereby granted to transfer the right and/or property shall lapse and be void if the applicant George E. Trask shall not have complied with all the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission. Dated at San Francisco, California, this 25 day of 1934. COMMISSIONERS. 2.