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Decision No. 31885

BEFORE THE RAILROAD CONNISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) MATTHEW BURLEY LANGSTAFF, also known) as M. B. LANGSTAFF, requesting) authorization for the exercise of all) the rights, privileges, franchises) and permits of the estate of MATTHEW) CHAIDER LANGSTAFF, also known as) MATTHEW C. LANGSTAFF, deceased, in) connection with the operation of the) Auburn-Foresthill Stage Line.

Application No. 22649

BY THE COMMISSION:

<u>o p i n i o n</u>

By this application Matthew B. Langstaff requests that the Railroad Commission give its approval to the decree of the Superior Court of the State of California, in and for the county of Placer, distributing to said applicant from the estate of Matthew C. Langstaff, deceased, an automotive operative right for the transportation of passengers and property.

A copy of the decree of distribution, marked Exhibit "A," is attached to the application herein and made a part thereof.

The operative right involved was acquired by Matthew C. Langstaff from R. D. Brown under authority of the Commission's Decision No. 12307, dated July 3, 1923, on Application No. 9162, and contemplates an operation for the transportation of passengers and property in general between Auburn and Michigan Bluff.

This appears to be a matter in which a public hearing is not necessary and the application will be granted.

-1-

Matthew Burley Langstaff 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.

<u>order</u>

IT IS ORDERED that approval of the decree of distribution, as contemplated by an order of the court as referred to in the opinion preceding this order, is granted subject to the following conditions:

1. The approval herein granted shall lapse and be void if the parties hereto shall not have complied with all of 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.

2. Applicant Matthew Burley Langstaff, as executor, shall within thirty (30) days after the effective date of the order herein withdraw all time schedules filed in the name of M. C. Langstaff with the Railroad Commission and applicant Matthew Burley Langstaff shall within thirty (30) days after the effective date of the order herein file, in duplicate, in his own name time schedules covering service heretofore given under the operative right involved which time schedules shall be identical with the time schedules now on file with the Railroad Commission or time schedules satisfactory 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 obtained.

4. No vehicle may be operated by applicant Matthew Burley Langstaff 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. Applicant shall, prior to the commencement of service authorized herein and continuously thereafter, comply with all of the provisions of this Commission's General Order No. 91.

The effective date of this order shall be the date

hereof.

Dated at San Francisco, California, this $\underline{\mathcal{H}^{fh}}$ day of April, 1939.

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