

Decision No. 39674

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Application of SAN QUENTIN STAGE COMPANY,
a corporation, to transfer equipment and
operative rights between San Rafael and
San Quentin Postoffice and Point San Quentin
to JOSEPH MILLER, and of the latter to
transfer to LOUIS BRADAS, JR.

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O R D E R

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San Quentin Stage Company, a corporation, requests au-
thority to transfer a prescriptive right to transport passengers,
a certificated right⁽¹⁾ to transport newspapers, and a 21-passen-
ger bus, to Joseph Miller. The latter requests authority to
transfer the bus and operative rights to Louis Bradas, Jr., the
consideration therefor being \$3,500 in cash.

The application, as amended, shows that on February 13,
1937, the corporation filed with the Secretary of State a certi-
ficate of election to dissolve. On April 23, 1937, the Franchise
Tax Commissioner certified that the corporation was discharged in
full of all Bank and Corporation Franchise taxes and delinquent
charges thereon to and including December 31, 1937. A certified
copy of the certificate is attached to the application. On
April 26, 1937, a certificate of winding up and dissolution was
filed with the Secretary of State, and a certified copy thereof
is attached to the present application.

(1) Granted by Decision No. 29449, dated January 11, 1937, in
Application No. 20924.

Joseph Miller, owner of the stock, succeeded to the business and assets of the corporation. The application alleges that transfer of the operating authority to Joseph Miller was overlooked, and proposes that the corporation now transfer the rights and property to Miller, followed by a transfer thereof from Miller to Bradas.

The application indicates that continuous service has been furnished by Joseph Miller since 1938. Attached to the application is a statement showing monthly revenues for the year ending July 31, 1946.

Under the Civil Code (secs. 399-401) directors of a dissolved corporation shall continue to act as a board with full powers to wind up and settle its affairs, and may execute bills of sale and deeds of conveyance in the name of the corporation. (See 6A Cal. Jur. 1482, 1491.) The present application is signed by a majority of the directors of the corporation.

Louis Bradas, Jr., is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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.

Good cause appearing,

IT IS ORDERED that San Quentin Stage Company, a corporation, may transfer the operative rights and property herein-- above mentioned to Joseph Miller, and the latter may transfer such rights and property to Louis Bradas, Jr., provided that Joseph Miller and Louis Bradas, Jr. comply with the provisions of General Orders No. 79 and No. 80 and Part IV of General Order No. 93-A, by filing, in triplicate and concurrently making effective, appropriate tariffs and time tables within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and to the public.

The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 27th day ~~of December~~ ^{November}, 1946.

(A. 27846)

Harold A. Kula
Justus J. Callahan
Charles L. ...
A. E. ...
Commissioners