

ORIGINAL

Decision No. 44077

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
Buster Lee Burris, DEA Redlands Bus	:	
Lines, to sell and David E. Hauk to	)	
purchase an automobile passenger stage	:	
service and bus line within the City	)	Application
of Redlands, California, and as a	:	No. 31252
common carrier between Mentone and	)	
the City of Redlands, California,	:	
and as a common carrier between	)	
Yucaipa and the City of Redlands,	:	
California.	)	
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O P I N I O N

This is an application for an order of the Commission authorizing Buster Lee Burris to sell and transfer passenger stage operative rights and properties to David E. Hauk.

The application shows that Buster Lee Burris, doing business as Redlands Bus Lines, is engaged in the operation of motor coaches for the transportation of passengers within the City of Redlands, and between Redlands and Mentone and Redlands and Yucaipa. During the year 1949 he reported operating revenues of \$10,495.09 and operating expenses of \$10,860.23, resulting in a net loss of \$365.14. His properties include certificates of public convenience and necessity acquired under authority granted by Decision No. 42213, dated November 9, 1948, Decision No. 42290, dated December 7, 1948, and Decision No. 43833, dated February 20, 1949, and two passenger buses. Applicant Burris reports that business interests in the East require him to dispose of his passenger line properties and operations, and that accordingly he has made arrangements to sell and transfer the same to applicant Hauk.

The agreed purchase price to be paid by applicant Hauk is the sum of \$10,000, with no down payment and with the principal

amount being payable in monthly installments of \$100 plus interest at the rate of 6% per annum. The indebtedness will be represented by a note secured by a mortgage of chattels on the bus equipment.

It is reported that applicant Hauk has had experience in the operation of passenger buses, and it appears that the transfer as proposed is not contrary to the public interest. In making the order herein, applicant Hauk 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. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

The Commission having considered the above entitled matter and being of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein; therefore,

IT IS HEREBY ORDERED as follows:

1. Buster Lee Burris, after the effective date hereof and on or before July 31, 1950, may transfer his passenger stage

operative rights and equipment to David E. Hauk, such transfer to be in and pursuant to the terms of the agreement of sale dated March 31, 1950, filed in this proceeding as Exhibit A.

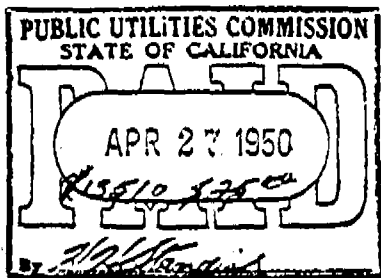
2. David E. Hauk, after the effective date hereof and on or before July 31, 1950, may execute a mortgage of chattels in substantially the same form as that filed in this proceeding, and may issue a promissory note in the principal amount of \$10,000, payable in monthly installments of \$100 plus interest at the rate of 6% per annum, for the purpose of financing the purchase price of said certificates and properties.

3. Buster Lee Burris and David E. Hauk shall comply with the provisions of General Order No. 79 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 after the date hereof and on not less than five (5) days' notice to the Commission and to the public.

4. David E. Hauk shall file with the Commission a report of the issue of said note as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

5. The authority herein granted will become effective when David E. Hauk has paid the minimum fee required by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 25<sup>th</sup> day of April, 1950.



Handwritten signatures of R. Z. Anderson, Justice J. Cooney, David L. McGill, Harold A. Hild, and Kenneth L. Patten, Commissioners.