

An. Code, sec. 438A. 1914, ch. 445, sec. 26½.

380. The provisions of the next preceding section forbidding the construction by any common carrier, railroad corporation, or street railroad corporation, of a railroad or street railroad or any extension thereof, or the exercise by any such common carrier, railroad corporation, or street railroad corporation of any franchise or right under any provision of the railroad law or of any other law not lawfully exercised before the passage of this act, without the permission and approval of the Commission first obtained, and empowering the Commission to grant such permission and approval whenever it shall after due hearing determine that such construction or such exercise of the franchise or privilege is necessary or convenient for the public service, shall likewise apply to the abandonment or discontinuance in whole or in part by any common carrier, railroad corporation, or street railroad corporation of the exercise of any such franchise or right, in so far as it is then actually being exercised for the public service; but every common carrier, railroad corporation, or street railroad corporation shall have the right to discontinue the operation of any portion or all of any of its existing lines whenever any franchise under which any line or any portion of same is operated, shall have been repealed by Act of the Legislature or any municipal corporation or other governing body; provided said common carrier, railroad corporation, or street railroad corporation can show that they are not earning, at the time of such repeal, their operating expenses and other fixed charges upon the whole of such line, or upon such part thereof where any existing franchise shall have been repealed.

The commission has power to authorize the abandonment of a railroad line when continued operation must result in serious financial loss and ultimate receivership—see notes to sec. 379. *Benson v. Public Service Commission*, 141 Md. 400.

An. Code, sec. 439. 1910, ch. 180, sec. 27 (p. 369). 1918, ch. 408, sec. 27.
1920, ch. 474, sec. 439.

381. A common carrier, railroad corporation, street railroad corporation, or other corporation subject to the provisions of this sub-title, organized or existing, or hereafter incorporated, under or by virtue of the laws of the State of Maryland, may issue stock, bonds, notes or other evidence of indebtedness, payable at periods of more than twelve months after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvements of its facilities, or for the improvement or maintenance of its service, or the discharge or lawful refunding of its obligation, or for the reimbursement of moneys actually expended from income, or from any other moneys in the treasury of the corporation not secured by or obtained from the issue of stocks, bonds, notes or other evidence of indebtedness of such corporation, within five years next prior to the filing of an application with the Commission for the required authorization for any of the aforesaid purposes, except maintenance of service and except replacements, in cases where the applicant shall have kept its accounts and vouchers of such expenditures in such manner as to enable the Commission to ascertain the amount of moneys expended and the purposes for which such expenditure was made, or when necessary or desirable, in the discretion of the