

**LIEN SALES—ABANDONED—ABATED
VEHICLES**
VEHICLE INDUSTRY REGISTRATION PROCEDURES

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Lien Sales—Abandoned—Abated Vehicles

18.000 Introduction

This chapter contains the procedures for vehicle lien sales and abandoned and abated vehicles.

See Chapter 24, Vessels, for lien sale procedures for vessels and vessel/trailer combination.

18.005 Definitions—(as used in this chapter):

- **Abatement**—Removal, as a public nuisance, of abandoned, wrecked, dismantled, or inoperative vehicles or vehicle parts from public or private property
- **Department**—The California Department of Motor Vehicles (DMV).
- **Lien**—A legal claim on a vehicle for unpaid towing, repairs, or storage costs.
- **Lienholder**—the person or entity that has an interest in the vehicle due to unpaid repair, storage and/or towing costs.
- **Legal Owner**—the person or entity with a financial interest in a vehicle and is listed on the titling document in the “Lienholder” section.
- **Low-Value Vehicle**—a vehicle valued at \$500 or less.

18.010 Lien Sale Categories

There are two types of vehicle lien sales:

- Lien Sales for vehicles valued **over \$4,000** or stored at a self-storage facility (CC §3071).
- Lien Sales for vehicles valued at **\$4,000 or less** (CC §3072).

18.015 Liens (Civil Code §§3068 through 3074)

A person who has repaired, furnished supplies/materials for, towed, or stored a vehicle **and** is not paid for the services rendered has a lien against the vehicle.

- The lien may be satisfied by obtaining a court judgment or selling the vehicle through a lien sale process outlined in the *California Civil Code (CC)*.
- To conduct a lien sale, the lienholder **must** have possession of the vehicle.
- The legal owner **must be notified before** any repairs, service, or storage may be performed if the amount of any repairs or service exceeds \$1,500 **or** the storage charges exceed \$1,025 (\$1,250 for vehicles valued over \$4,000).
- The lien arises (becomes effective) at the time the registered owner is presented with a written statement of charges for completed work or services, or 15 days after the work or services are completed, whichever occurs first.

18.015 Liens (Civil Code §§3068 through 3074), *continued*

— However, if possession is the result of a public agency or private property impound, the lien arises when the vehicle is transported (towed). An additional lien for unpaid parking bail maybe added for a vehicle impounded by law enforcement for parking violations. (CVC §22851.1)

- A lienholder **must** apply for authorization to conduct a lien sale or file an action in court **within 30 days** after a lien has arisen, or the lien is no longer valid.
- The lien may be extinguished if the lienholder does not respond within 10 days to a written demand by the legal owner or lessor for:
 - a written copy of the work order or invoice showing the services or repairs performed, **or**
 - the authorization from the registered owner or lienholder to perform the services or repairs.

EXCEPTION: If the vehicle is valued under \$4,000 and the lien is based on towing, storage or labor, in certain cases, where possession is a result of a public agency, private party impound, or owner/operator request, the lienholder must begin lien sale proceedings **within 15 days** of the date the lien arises.

- A Salvage Pool cannot conduct a lien sale in order to obtain title to a vehicle (CVC §11515).

18.020 Lien Sale Dispute Resolution

The lien sale processes explained in this Chapter are governed by *California Civil Code* §§3067–3074.

Disputes between a lienholder and an interested party (including the registered owner or legal owner on the vehicle history records) are a civil matter that can only be decided in court and **do not involve** the Department of Motor Vehicles.

18.025 Lien Sale Valuation (CVC §22670)

For lien sale purposes, the public agency shall determine the estimated value of the vehicle.

If the public agency fails or refuses to estimate the value within three days after the date of removal of the vehicle, the garage keeper or the garage keeper's agent must determine the estimated value of the vehicle.

18.030 Planned Non-Operation Requirements for Lienholder (CVC §4604)

- The lienholder is **not** required to file a Certificate of Planned Non-Operation (REG 102) if the vehicle:
 - was currently registered when the lien originated, **and**
 - subsequently expired while being stored by the lienholder pending a lien sale.

18.030 Planned Non-Operation Requirements for Lienholder (CVC §4604), *continued*

- Fees (registration **or** PNO) are **not** due until the vehicle is sold at lien sale and **must be** paid within 20 days of sale to avoid penalties.
 - A Certificate of Non-Operation is **not** required.
- If the vehicle was not currently registered when the lien originated, all fees and penalties will be due when the vehicle is subsequently sold.

18.035 Storage Lien Limitations**Vehicles stored by law enforcement (CVC §22851)**

When a vehicle is placed in storage by a law enforcement agency, the maximum number of days for a towing/storage lien is **60 days**.

The storage lien may be extended to a period not exceeding **120 days** if an application for lien sale is submitted:

- within 15 days from the date the lien arises for vehicles valued at \$4,000 or less.
- within 30 days from the date the lien arises for vehicles valued over \$4,000 or stored at a self-storage facility.

Vehicles valued at \$4,000 or Under (CC §3068.1[b])

The number of days for a storage lien on a vehicle valued at \$4,000 or under is **15 days**.

- The storage lien may be extended to **60 days** if a Notice of Pending Lien Sale for Vehicle Valued \$4,000 or Less (REG 668) is sent:
 - to all interested parties, and
 - the DMV within 15 days after the lien arises.
- The storage lien may be extended to **120 days** if:
 - A Declaration of Opposition is filed within the appropriate time frame.
 - The vehicle has out-of-state registration.
 - The vehicle identification number was altered or removed.
 - A person who has interest in the vehicle becomes known to the lienholder after the lienholder has mailed the Notice of Pending Lien Sale for Vehicle Valued \$4,000 or Less (REG 668).

Storage Lien for Vehicles valued over \$4,000 (CC §3068.1[c])

For vehicles valued over \$4,000 the storage lien may be for **120 days** if an Application for Lien Sale Authorization and Lienholder's Certification (REG 656) is submitted to the department within **30 days** after the lien arises.

18.040 Cost of Conducting a Lien Sale (CC §3074)

Once a lienholder has requested the names and addresses of all persons having an interest in the vehicle from the Department of Motor Vehicles, a lien sale preparation fee may be charged.

- The fee may not exceed **\$70** for vehicles valued at \$4,000 or less **or \$100** for vehicles valued over \$4,000 or from a self-service storage facility.
- This fee becomes part of the possessory lien, however, only half of this fee can be charged if the vehicle is redeemed before the lien sale notifications have been mailed.
- This fee **cannot** be charged if the vehicle is redeemed within 72 hours of its initial storage.

18.045 Proceeds of a Lien Sale (CC §3073)

The proceeds of a sale must be used to pay the lien and the cost of processing the lien sale.

The lienholder must forward any remainder to the department's Lien Sales Unit at Sacramento headquarters **within 15 days of the sale** with a copy of the Certificate of Lien Sale (REG 168 or 168A).

18.050 Declaration of Opposition to a Lien Sale (CC §§3071 [d][e], 3072 [d][e])

If the department receives a Declaration of Opposition, notification is sent within 16 days to the lienholder informing him/her that the lien sale is denied and cannot be conducted unless:

- The declarant signs the *Release of Interest* on the bottom of the denial letter.
- The lienholder files an action in court within 30 days of the date the department's notice was mailed and a judgment is awarded to the lienholder that is not paid within five (5) days of becoming final.
- The declarant could not be served pursuant to CC §§3071 (e) or 3072 (e), and the lienholder submits an Application for Authorization to Continue Lien Sale After Unsuccessful Service (REG 659) with the unopened letter that **contains the court documents** or the documents proving unsuccessful personal service.

When one of the items listed above is received by the Lien Sale Unit at Sacramento headquarters, **the department will send authorization to continue with the sale** to the lienholder and notify the person who opposed the sale of the authorization.

18.055 Registration Services (CVC §§505.2, 1651)

Lien sale applications completed by a registration service must contain the registration service's occupational license number (OL#).

If the registration service's OL# is not shown on the application, the lien sale documents will be returned for correction.

18.060 Lien Sale Procedure for Vehicles Valued At \$4,000 or Less (CC §3072)

When a vehicle has a value of \$4000 or less, a lienholder:

- must apply to the department for the names and addresses of the registered and legal owners of record, **and**
- follow the procedures in the chart below in order to conduct a lien sale under *Civil Code* §3072.

Vehicles Valued at \$4,000 or Less

<i>Step</i>	<i>Action</i>
1	<p>Within 15 days of the date the lien arises (date the public agency impounded the vehicle), or within 30 days of the date the lien arises if the lien is a result of a law enforcement tow, the lienholder must submit:</p> <ul style="list-style-type: none"> • a Registration Information Request for Lien Sale (INF 1126), and • the nonrefundable processing fee to DMV to obtain a printout of the vehicle record using the VIN. <p>NOTE: A vehicle with a missing VIN must be referred to the CHP before a vehicle record can be released to the lienholder.</p>
2	<p>Immediately upon receipt of the vehicle record information, and at least 31 days but not more than 41 days prior to the sale date, the lienholder must send:</p> <ul style="list-style-type: none"> • A Notice of Pending Lien Sale for Vehicle Valued \$4,000 or Less (REG 668) and a return envelope, pre-addressed to the department, by certified mail with return receipt requested or by United States Postal Service Certificate of Mailing to: <ul style="list-style-type: none"> — the registered owner. — the legal owner. — any known interested parties, including any new buyers on a Notice of Transfer and Release of Liability (NRL). <p>NOTE: When there are multiple Notices of Transfer and Release of Liability (NRL) on the record, only the buyer noted on the last NRL on record must be notified.</p> <ul style="list-style-type: none"> • A Notice of Pending Lien Sale for Vehicle Valued \$4,000 or Less (REG 668) by certified mail to the Department of Motor Vehicles. <p>If there is no vehicle record, the REG 668 and the names of any known interested party must be sent to DMV.</p> <p>The owner(s) and any interested parties have 10 days from the date the REG 668 is mailed to oppose the sale by signing the Declaration of Opposition and returning it to the department.</p>

Vehicles Valued at \$4,000 or Less (continued)

<i>Step</i>	<i>Action</i>
3	<p>At least 10 days prior to and including the day of the sale, the lienholder must post a Notice of Pending Lien Sale for Vehicle Valued at \$4,000 or Less (REG 668) in a conspicuous place on the premises of the business office of the lienholder.</p> <ul style="list-style-type: none"> • If the sale is scheduled to occur at a place other than the premises or the business office of the lienholder, a notice must also be posted at the site of the forthcoming sale. • When posting the REG 668 fold the document so the registered owner, legal owner and interested party addresses are not visible
4	<ul style="list-style-type: none"> • The lienholder must have the vehicle available for inspection at a location easily accessible to the public for at least one hour before the sale. • The vehicle must also be at the place of sale at the time and date specified on the Notice of Pending Lien Sale for Vehicles Valued at \$4,000 or Less (REG 668).
5	The lienholder must conduct the sale in a businesslike fashion. Sealed bids are not allowed.
6	There is no redemption period. The buyer may take immediate possession of the vehicle.
7	<p>After the sale the lienholder must:</p> <ul style="list-style-type: none"> • remove and destroy the license plates. • submit a completed Notice of Transfer and Release of Liability (REG 138) to the department within five days of the sale. • complete a Certification of Lien Sale for Vehicles Valued \$4,000 or Less (REG 168A). <p>If no one places a qualifying bid on the vehicle, the lienholder becomes the buyer and must complete the REG 168A as both the seller and the buyer.</p>
8	<p>Give the following to the buyer:</p> <ul style="list-style-type: none"> • REG 168A • Printout of DMV record • Certified mailing receipts (attached to the 168A) • DMV authorization to continue with the lien sale, if the lien sale was opposed <p>Any other required documents, such as odometer disclosure.</p>
9	<p>Within 5 days of the sale, the lienholder must submit any excess fees with a copy of the Certification of Lien Sale for Vehicles Valued \$4,000 or Less (REG 168A) to:</p> <p style="padding-left: 40px;">DMV Lien Sales Unit MS E143 PO Box 932317 Sacramento, CA 94232-3170</p>

18.065 Clearance Requirements for Lien Sales for Vehicles Valued at \$4,000 or Less

The registration requirements are:

- An Application for Title or Registration (REG 343) completed and signed by the buyer.
- Certification of Lien Sale for Vehicle Valued \$4,000 or Less (REG 168A) completed by the lienholder or agent.
 - If there is no buyer, the lienholder completes the REG 168A as both the buyer and seller.
- Certified and return receipt mailing receipts (attached to the 168A).
- Printout of DMV Record.
- If the lien sale was opposed, a DMV authorization to continue with the lien sale.
- A vehicle verification, if there is no record of the vehicle on the DMV database.
- Other documents, as needed, such as bill(s) of sale, Application for Replacement Plates, Stickers, Documents (REG 156), and the odometer mileage disclosure on the Vehicle/Vessel Transfer and Reassignment Form (REG 262).
- Smog certification, as appropriate.
- Fees due, including substitute license plate fee and use tax.
 - If there was no buyer at the lien sale and the lienholder retained the vehicle, **use tax is based on amount of the lien** shown on the REG 168A.

Dismantlers

Within 90 days of acquisition, the dismantler must submit to the department:

- Report of Vehicle to be Dismantled (REG 42).
- Certification of Lien Sale for Vehicle Valued \$4,000 or Less (REG 168A) completed by the lienholder or agent.
- Certified mailing receipts (attached to the 168A).
- Printout of DMV record.
- If the lien sale was opposed, a DMV authorization to continue with the lien sale.
- Other documents, as needed, such as bill(s) of sale.
- No fee is due, even if fees and penalties were due when the lienholder took possession of the vehicle.

18.070 Lien Sale Procedure for Vehicles Valued Over \$4,000 or Stored at a Self-Service Storage Facility (CC §3071)**Self-Service Facility Defined:**

Any real property designed and used for renting or leasing individual storage space. This does not include a garage or other storage area in a private residence.

Follow the steps below to conduct a lien sale for a vehicle valued over \$4,000 or stored in a self-service storage facility.

*Vehicles Valued Over \$4,000 or Stored at a
Self-Service Storage Facility*

<i>Step</i>	<i>Action</i>
1	<p>Within 30 days of the date the lien arose (date the registered owner was billed or when the public agency impounded the vehicle), the lienholder must submit:</p> <ul style="list-style-type: none"> • an Application for Lien Sale Authorization and Lienholder’s Certification (REG 656), <i>and</i> • the nonrefundable processing fee <p>to DMV at:</p> <p style="padding-left: 40px;">DMV Lien Sales Unit MS E143 PO Box 932317 Sacramento, CA 94232-3170</p>
2	<p>DMV:</p> <ul style="list-style-type: none"> • notifies the owners and interested parties of the lien sale by certified mail, <i>and</i> • gives them the opportunity to stop the sale by signing and returning the Declaration of Opposition within 10 days of the date the notice was mailed. <p>If the vehicle is registered in another state, the department notifies the appropriate agency of that state.</p>
3	<p>If the sale is:</p> <ul style="list-style-type: none"> • opposed, DMV sends a letter to the lienholder denying the lien sale application. • not opposed, DMV sends a letter to the lienholder granting authorization to conduct the sale.
4	<p>Upon receipt of authorization to conduct the sale from the department, the lienholder must set the date of the sale.</p>

Vehicles Valued Over \$4,000 or Stored at a Self-Service Storage Facility (continued)

<i>Step</i>	<i>Action</i>
5	<p>Twenty days prior to the sale, but not counting the day of the sale, the lienholder must send a Notice of Pending Lien Sale for Vehicle Valued Over \$4,000 (REG 280) by certified mail, return receipt requested, to:</p> <ul style="list-style-type: none"> • The registered and legal owners of the vehicle (if registered in California). • All persons known to have an interest in the vehicle. • The DMV.
6	<ul style="list-style-type: none"> • At least five days, but not more than 20 days prior to the sale, not counting the day of sale, the lienholder: <ul style="list-style-type: none"> — must advertise the sale in a newspaper of general circulation published in the county in which the vehicle is located, <i>and</i> — the advertisement must contain the vehicle identification number and license plate number. • If there is no newspaper of general circulation published in the county, the Notice of Sale: <ul style="list-style-type: none"> — must be posted in three of the most public places in the town where the vehicle is located, — at the place where the vehicle is to be sold, <i>and</i> — the notice must be posted for 10 consecutive days prior to and including the day of sale.
7	<ul style="list-style-type: none"> • The lienholder must have the vehicle available for inspection at a location easily accessible to the public for at least one hour before the sale. • The vehicle must also be at the place of sale at the time and date specified on the Notice of Pending Lien Sale for Vehicles Valued Over \$4,000 or From a Self-Service Storage Facility (REG 280).
8	<ul style="list-style-type: none"> • The lienholder must conduct the sale in a businesslike fashion. • Sealed bids are not allowed.
9	<ul style="list-style-type: none"> • After the sale, the lienholder must keep the vehicle for a 10-day redemption period. • The registered or legal owner may redeem the vehicle during this 10-day period by paying the amount of the sale and all costs and expenses plus 12 percent interest (CC §3071(k)).
10	<ul style="list-style-type: none"> • After the redemption period, the lienholder must: <ul style="list-style-type: none"> — Remove and destroy the license plates — Submit a completed Notice of Transfer and Release of Liability (REG 138) to the department within five days of the sale.

Vehicles Valued Over \$4,000 or Stored at a Self-Service Storage Facility (continued)

<i>Step</i>	<i>Action</i>
10, <i>cont.</i>	<ul style="list-style-type: none"> • Complete a Certification of Lien Sale for Vehicles Valued Over \$4,000 or From a Self-Service Storage Facility (REG 168). • If no one places a qualifying bid on the vehicle, the lienholder must complete the REG 168 as both the seller and the buyer.
11	Give the following to the buyer: <ul style="list-style-type: none"> • REG 168 • Certified mailing receipts • DMV authorization to conduct a lien sale or if the lien sale was opposed, a DMV authorization to continue conducting the lien sale.
12	Within 15 days of the sale the lienholder must submit any excess fees with a copy of the Certification of Lien Sale for Vehicles Valued Over \$4,000 or From a Self-Service Storage Facility (REG 168) to: <p style="margin-left: 40px;">DMV Lien Sales Unit MS E143 PO Box 932317 Sacramento, CA 94232-3170</p>

18.075 Clearance Requirements for Lien Sales for Vehicles Valued Over \$4,000 or Stored at a Self-Service Storage Facility

- An Application for Title or Registration (REG 343) completed and signed by the buyer.
- DMV authorization to conduct a lien sale **or** if the lien sale was opposed, a DMV authorization to continue conducting the lien sale.
- Certification of Lien Sale for Vehicle Valued Over \$4,000 or From a Self-Service Storage Facility (REG 168) completed by the lienholder or agent.
- Certified mailing receipts (attached to the REG 168)
- A vehicle verification if there is no record of the vehicle on the DMV database.
- Other documents, as needed, such as bill(s) of sale, Application for Replacement Plates, Stickers, Documents (REG 156), and the odometer mileage disclosure on the *Vehicle/Vessel Transfer and Reassignment Form* (REG 262).
- Smog certification, as appropriate.
- Fees due, including substitute license plate fee and use tax.
 - If there was no buyer at the lien sale and the lienholder retained the vehicle, **use tax is based on amount of the lien** shown on the REG 168.

18.075 Clearance Requirements for Lien Sales for Vehicles Valued Over \$4,000 or Stored at a Self-Service Storage Facility, *continued*

Dismantlers

Within 90 days of acquisition, the dismantler must submit to the department:

- Report of Vehicle to be Dismantled (REG 42).
- DMV authorization to conduct a lien sale **or** if the lien sale was opposed, a DMV authorization to continue conducting the lien sale.
- Certification of Lien Sale for Vehicle Valued Over \$4,000 or From Self-Service Storage Facility (REG 168) completed by the lienholder or agent.
- Certified mailing receipts (attached to the REG 168).
- Other documents, as needed, such as bill(s) of sale.
- No fee is due, even if fees and penalties were due when the lienholder took possession of the vehicle.

18.080 Determining Fees for Vehicles Sold at Lien Sale

Use the following chart to determine when the registration fees become due for a vehicle sold at lien sale:

Determining Fees for Vehicles Sold at Lien Sale

<i>If the vehicle...</i>	<i>then...</i>
is currently registered, but the expiration is within 30 days	renewal fees must be paid.
is currently registered and the expiration date is within 75 days	renewal fees <i>may</i> be paid.
has a current PNO status and will be operated	renewal fees are due and must be paid within 20 days of the lien sale date to avoid penalties.
<ul style="list-style-type: none"> • registration fees expired before going into the lienholder’s possession, <li style="text-align: center;">or • the registration expired while in the possession of the lienholder: <ul style="list-style-type: none"> —who is a repair facility and — not a storage garage or towing service 	renewal fees and penalties are due from the last expiration date.

Determining Fees for Vehicles Sold at Lien Sale (continued)

<i>If the vehicle...</i>	<i>then...</i>
registration expired while in the possession of the lienholder who is a storage garage or towing service (only)	renewal or PNO fees are due. A penalty is not due if paid within 20 days of the lien sale date.
was last registered in another state	<ul style="list-style-type: none"> • fees become due on the date of first known operation (usually the date the vehicle entered the lienholder's possession), and • must be paid within 20 days of becoming due to avoid penalties.
registration date and/or jurisdiction is unknown	<ul style="list-style-type: none"> • fees become due on the date the vehicle entered the lienholder's possession, and • must be paid within 20 days of becoming due to avoid penalties. <p>EXCEPTION: Public agency impounded vehicles are assessed fees from the first known date after the sale (CVC §4000e).</p>
was sold at lien sale	<ul style="list-style-type: none"> • use tax is due and the vehicle must be reclassified based on the selling price, and • one transfer fee is due.
was retained by and is being registered to the lienholder	<p>use tax and reclassification are based on the total billing and cost shown in:</p> <ul style="list-style-type: none"> • section 2 of the Accounting of Lien Sale Proceeds section of the REG 168 or • the Auction Sale and Proceeds section of the REG 168A. <p>One transfer fee is due.</p>

NOTE: The 10-day redemption period required for vehicles over \$4,000 applies towards the 20-day calculation for payment of fees (count 20 days from the sale date).

18.085 Local Abatement Procedure CVC §§22660, 22661, 22662)

A city or county may adopt an ordinance establishing procedures for the abatement and removal of abandoned, wrecked, dismantled, or inoperative vehicles **or** parts from private or public property that are a public nuisance.

18.090 Disposition of Vehicles Removed by a Local Abatement Procedure (CVC §22661)

Follow the chart below to process a removal of an abated vehicle by local enforcement.

Local Abatement Procedures

<i>Step</i>	<i>Action by Law Enforcement</i>
1	Issue a 10-day notice of intention to abate and remove the vehicle or parts. The 10-day notice is not required if: <ul style="list-style-type: none"> • The property owner and the owner of the vehicle sign a release authorizing removal and waive further interest in the vehicle, or part, <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • If the property owner signs a release authorizing removal and waives interest in the vehicle, and the vehicle is: <ul style="list-style-type: none"> — inoperable due to the absence of motor, transmission, or wheels, — incapable of being towed, or — valued at less than \$200 and is determined by the local agency to be a public nuisance.
2	Within five days of removal of an abandoned vehicle, submit a Notice of Removal of Abandoned Vehicle (REG 104) to the department. Attach any evidence of registration that is available, such as: <ul style="list-style-type: none"> • Registration Card • Certificate of Title • License plates or a Statement of Facts (REG 256) certifying that the plates were destroyed
3	Dismantle the vehicle or dispose of it at a licensed dismantler or a scrap iron processor.

18.095 Reregistration of Vehicles Removed by a Local Abatement Procedure (CVC §§22661[f], 22711)

A vehicle removed under the abatement procedure may not be reconstructed or made operable unless it qualifies for Horseless Carriage or Historical Vehicle license plates (CVC §5004).

EXCEPTION: Local authorities may give abandoned vehicles to a correctional institution if:

- a local ordinance has an abatement program under CVC §22710 (Service Authority for Abatement of Abandoned Vehicles), *and*
- all reporting requirements have been met.

The institution must have a program under the consent of the Director of Corrections for their inmates to restore and rebuild donated salvageable and abandoned vehicles.

18.100 Dismantler Acquisition of Vehicles Removed by a Local Abatement Procedure (CVC §22664)

If a copy of the resolution or order authorizing disposition of the vehicle is maintained as part of the dismantler's business records, dismantlers who acquire these vehicles from a public agency are exempt:

- from paying any fees or penalties that may have accrued for the vehicle, *and*
- from filing a *Notice of Acquisition/Report of Vehicle To Be Dismantled* (REG 42).

18.105 Abandoned Low-Value Vehicles (CVC §§22669 and 22851.3)

The public agency must dispose of the vehicle:

- whenever a peace officer, or any designated employee of a public agency authorized by CVC §22669, removes or causes the removal of an abandoned vehicle and the public agency, *or*
- if, at the request of the public agency, the lienholder determines the estimated value of the vehicle to be \$500 or less,

18.110 Disposition of Abandoned Low-Value Vehicles (CVC §22851.3)

Follow the chart below to process a removal of an abandoned low value vehicle by local enforcement:

Removal of an Abandoned Low-Value Vehicle

<i>Step</i>	<i>Action by Law Enforcement</i>
1	<ul style="list-style-type: none"> • At least 72 hours before the vehicle is removed, a peace officer or an authorized public agency employee must securely attach a distinctive notice stating the vehicle will be removed by the public agency. • If the vehicle lacks an engine, transmission, wheels, tires, doors, windshield, or any other part or equipment necessary to operate safely on the highways, it may be removed immediately without posting a notice (CVC §22669[d]).
2	<p>Immediately after the vehicle is removed, the public agency must notify the Department of Justice at:</p> <p style="text-align: center;">Department of Justice Bureau of Information Services Stolen Vehicle Unit PO Box 903417 Sacramento, CA 94203-4170</p>
3	<p>The public agency or the lienholder, at the request of the public agency, must obtain from the DMV record the names of all persons having interest in the vehicle.</p>

Removal of an Abandoned Low-Value Vehicle

<i>Step</i>	<i>Action by Law Enforcement</i>
4	<p>Within 48 hours of the removal, excluding weekends and holidays, the public agency or the lienholder, at the public agency’s request, must notify all interested parties of the intent to dispose of the vehicle as follows:</p> <ul style="list-style-type: none"> • Public agency notification—By first class or certified mail, send a written notice pursuant to CVC §22851.3 (d) to: <ul style="list-style-type: none"> — The registered owner — The legal owner — Any other persons having interest in the vehicle • Lienholder notification at the request of the public agency— Complete and send by certified mail a Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency (REG 684B) to: <ul style="list-style-type: none"> — The registered owner — The legal owner — Any other persons having an interest in the vehicle
5	<ul style="list-style-type: none"> • The public agency must complete Section A of the Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler (REG 462): <ul style="list-style-type: none"> — If the vehicle remains unclaimed after 15 days from the notification date, — the towing and storage fees were not paid, and — a request for a post-storage hearing was not made or the post-storage hearing was not attended. • The public agency must distribute the REG 462 as follows: <ul style="list-style-type: none"> — white and pink copies to the towing agent. — yellow copy retained by the public agency for their records. <p>NOTE: If there is no DMV record, the public agency may issue a REG 462 any time after the removal.</p>
6	<p>If the notification was made by the lienholder at the request of the public agency, the lienholder must complete a Statement of Facts for Vehicles Valued at \$500 or Less Removed by a Public Agency CVC 22851.3 (REG 686B).</p>
7	<p>The public agency must dispose of the vehicle to a licensed dismantler or a scrap iron processor and give the dismantler or scrap iron processor the following:</p> <ul style="list-style-type: none"> • Public agency notification <ul style="list-style-type: none"> — Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler s (REG 462)-white copy (lienholder completes Section B) — Copy of the written notification

Removal of an Abandoned Low-Value Vehicle

<i>Step</i>	<i>Action by Law Enforcement</i>
7, <i>cont.</i>	<ul style="list-style-type: none"> • Lienholder notification <ul style="list-style-type: none"> — Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler (REG 462)-white copy (lienholder completes Section B) — Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency (REG 684B) — Statement of Facts for Vehicles Valued at \$500 or Less Removed by a Public Agency <i>CVC 22851.3</i> (REG 686B) — Certified mailing receipts
8	If the notification was made by the lienholder at the request of the public agency, the lienholder must mail a copy of the REG 686B to the department at the address on the form.
9	<p>Within 90 days of acquiring the vehicle, the dismantler must submit to the department:</p> <ul style="list-style-type: none"> • Report of Vehicle to be Dismantled (REG 42) • Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler (REG 462) white copy <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency (REG 684B) • Statement of Facts for Vehicles Valued at \$500 or Less Removed by a Public Agency <i>CVC 22851.3</i> (REG 686B) • Certified mailing receipts <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • A copy of the written notification from the public agency.

NOTE: A scrap metal processor who acquires a vehicle subject to registration fees is not required to pay registration fees or submit a PNO if the vehicle was abandoned and removal was authorized by a public agency (*CVC* §9564).

18.115 Request for Post-Storage Hearing of Abandoned Low-Value Vehicles (CVC §22851.3 [e] [g])

- If the recipient of:
 - the Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency (REG 684), *or*
 - a written notice from the public agency,
wishes to stop the disposal or dispute removal, he/she must request a post-storage hearing in person, in writing, or by telephone within 10 days of the date the notice was mailed.

18.115 Request for Post-Storage Hearing of Abandoned Low-Value Vehicles (CVC §22851.3 [e] [g]), *continued*

- The requested hearing must be conducted by the public agency within 48 hours of the request, excluding weekends and holidays.
- If the recipient disagrees with the decision, it may be reviewed pursuant to *Government Code* §11523.
- The vehicle in question cannot be disposed of during the time the decision is being reviewed.

18.120 Reregistration of Abandoned Low-Value Vehicles (CVC §22851.3 [I])

An abandoned low-value vehicle disposed of pursuant to CVC §22851.3 may not be reconstructed or made operable unless it qualifies for Horseless Carriage or Historical Vehicle license plates (CVC §5004).

18.125 Dismantler Acquisition of Abandoned Low-Value Vehicles (CVC §11520)

Dismantlers who acquire abandoned low-value vehicles from a public agency are exempt from paying any fees or penalties that may have accrued.

Dismantlers are also exempt from filing a Notice of Acquisition (REG 42), but must submit the Report of Vehicle to Be Dismantled (REG 42).

18.130 Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §22851.2)

Whenever a peace officer, or authorized employee of a public agency, removes or causes the removal of a vehicle for reasons other than abandonment that has a value of \$500 or less, the public agency must dispose of the vehicle.

18.135 Disposition of Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §§22851.2, 22851.6, 22851.8, 22851.10)

Follow the chart to process the disposal of a low value vehicle for reasons other than abandonment:

Low-Value Vehicles Removed for Reasons Other than Abandonment

<i>Step</i>	<i>Action</i>
1	Within 48 hours after removal of the vehicle, the public agency must notify the Department of Justice at: Department of Justice Bureau of Information Services Stolen Vehicle Unit PO Box 903417 Sacramento, CA 94203-4170

Low-Value Vehicles Removed for Reasons Other than Abandonment (continued)

<i>Step</i>	<i>Action</i>
2	Within 15 working days following the date of possession of the vehicle, the lienholder must obtain from the department the names and addresses of all persons having an interest in the vehicle.
3	Immediately upon receipt of DMV record information, the lienholder must complete and send by certified mail, with return receipt requested or U.S. Postal Service Certificate of Mailing: <ul style="list-style-type: none"> • a Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency for Reasons Other than Abandonment (REG 684A), <i>and</i> • a return envelope pre-addressed to the lienholder to: <ul style="list-style-type: none"> — The registered owner — The legal owner — Any other persons having an interest in the vehicle.
4	<ul style="list-style-type: none"> • The public agency must complete Section A of the Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler (REG 462). • After the expiration of the opposition period, the REG 462 is distributed as follows: <ul style="list-style-type: none"> — white and pink copies to the towing agent. — yellow copy retained by the public agency for their records.
5	<ul style="list-style-type: none"> • If a Declaration of Opposition is not received by the intended disposal date, the lienholder must dispose of the vehicle to a dismantler or a scrap iron processor and provide the following to the buyer: <ul style="list-style-type: none"> — Public Agency Authorization To Dispose of a Vehicle Valued at \$500 or Less to a Scrap Iron Processor or Dismantler (REG 462) white copy. — Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency for Reasons Other than Abandonment (REG 684A). — Statement of Facts for Vehicles Valued at \$500 or Less Removed by a Public Agency for Reasons Other Than Abandonment <i>CVC 22851.8</i> (REG 686A) completed by the lienholder. — Certified mailing receipts or U.S. Postal Service Certificate of Mailing receipt. • If a Declaration of Opposition is received, in addition to the above documents, one of the following must also be given to the buyer. <ul style="list-style-type: none"> — A copy of a court judgment and a Statement of Facts (REG 256) stating that five days have passed since the judgment was awarded and no payment has been received. — The declarant’s release (original signature required). — A letter of authorization to continue with the lien sale issued by the department.

Low-Value Vehicles Removed for Reasons Other than Abandonment (continued)

<i>Step</i>	<i>Action</i>
6	Within five days of selling the vehicle to a dismantler or scrap iron processor, the lienholder must provide to the dismantler: <ul style="list-style-type: none"> • REG 462-white copy • REG 684A • REG 686A • Certified mailing receipt or U.S. Postal Service Certificate of Mailing receipt. • A document authorizing continuation of the sale after a Declaration of Opposition was submitted, if applicable.
7	Within 90 days of acquisition, the dismantler must submit to the department: <ul style="list-style-type: none"> • REG 42 • REG 462-white copy • REG 684A • REG 686A • Certified mailing receipt or U.S. Postal Service Certificate of Mailing receipt. • A document authorizing continuation of the sale after a Declaration of Opposition was submitted, if applicable.

18.140 Vehicle Identification Number Missing at the Time of Removal on Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §22851.2 [b])

If the condition of the vehicle is such that there is no means of determining ownership, the public agency that removed the vehicle may give authorization to dispose of the vehicle on the Public Agency Authorization of Disposal of Vehicle to a Scrap Iron Processor or Dismantler Valued at \$500 or Less (REG 462).

If authorization for disposal is not issued, a vehicle identification number must be assigned prior to continuing the procedures in Chapter 7, Miscellaneous Originals.

18.145 Declaration of Opposition on Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §22851.8 [d])

If the lienholder receives a completed Declaration of Opposition that is postmarked within 10 days of the date the Notice of Intent To Dispose of a Vehicle Valued at \$500 or Less Removed by a Public Agency for Reasons Other than Abandonment (REG 684A) was mailed, the vehicle **cannot** be disposed of unless:

- The lienholder files an action in court within 20 days of the date the REG 684A was mailed, a judgment is awarded to the lienholder, and it is not paid within five days of becoming final.
- The declarant releases his or her interest in the vehicle.

18.145 Declaration of Opposition on Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §22851.8 [d]), *continued*

- The department issues a letter of authorization to continue with the lien sale when the declarant could not be served by certified mail or in person by a marshal, sheriff, or licensed process server.

The lienholder must submit an Application for Authorization to Continue Lien Sale after Unsuccessful Service (REG 659) with one of the following attached.

— **Service attempted by certified mail**—an unopened certified letter that contains the court documents with which service was attempted.

OR

— **Service attempted in person by a marshal, sheriff, or licensed process server**—the documents proving unsuccessful service.

18.150 Re-registration of Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §22851.10 [c])

A vehicle disposed of to a licensed dismantler or scrap iron processor pursuant to CVC §22851.2 **cannot** be reconstructed or made operable unless it is a vehicle that qualifies for either Horseless Carriage license plates or Historical Vehicle license plates pursuant to CVC §5004.

18.155 Dismantler Acquisition of Low-Value Vehicles Removed for Reasons Other Than Abandonment (CVC §11520)

Dismantlers who acquire low-value vehicles removed for reasons other than abandonment from a public agency are exempt from:

- paying any fees or penalties that may have accrued.
- filing a Notice of Acquisition (REG 42), but must submit the Report of Vehicle to be Dismantled (REG 42).

18.160 Military Lien Sales

Under the provisions of U.S. Public Law 39, vehicles abandoned on U.S. government property (principally military bases) are sold by U.S. government agencies under the provisions of federal law.

- Some military bases contract with private companies to remove the vehicle and conduct the lien sale.
 - When this occurs and there are excess proceeds from the lien sale, the fees in excess of the amount of lien and costs of the sale **will not** be submitted to DMV.
- The excess amount is returned to the military installation by the private lien sale service for deposit into the appropriate account of the U.S. Treasury.
 - In such cases, the lienholder (military) will submit a *Statement of Facts* (REG 256) with the Certificate of Sale which specifies the name and address of the federal office where claims may be filed.

18.160 Military Lien Sales, *continued*

— The Lien Sale Unit in Sacramento headquarters maintains a file of all excess proceeds deposited with the federal government for a period of four years.

Clearance Requirements

- The properly endorsed California Certificate of Title **or** An Application for Title or Registration (REG 343), as appropriate.
- In lieu of signatures on the title, one of the following:
 - A bill of sale from the U.S. government agency.
 - A Certificate of Release of Motor Vehicle, Standard Form 97, by a U.S. government agency.
- Evidence of notice regarding the sale of the vehicle to the last owners of record from the government agency.
 - The notice should describe the vehicle, name the owners, and state that the owners were notified.
- A vehicle verification **unless** there is a vehicle record on DMV's database.
- The odometer mileage disclosure on a complying title or on the Vehicle/Vessel Transfer and Reassignment Form (REG 262), if applicable.
- A smog certification, if appropriate.
- Report of Sale–Used Vehicle (REG 51), if applicable.
- Fees and use tax.
- Registration fees are due from the date of the California expiration, or from the date of first use in California.