



12

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May 18, 1988

Law and Legislation Committee
Council Chambers
Sacramento, California 95814

RE: SB 144 (McCorquodale) Re
Abandoned Vehicles

Honorable Members in Session:

SUMMARY

This report recommends support of SB 144 (McCorquodale) relating to abandoned vehicles.

BACKGROUND

This bill has two basic thrusts: first, it sets the maximum value of an abandoned vehicle which may be disposed of by summary procedures at \$1,000 (without this bill, threshold level will revert to \$300); and second, it sets up a mechanism to reestablish a state superfund from which to reimburse local agencies for vehicle abatement costs.

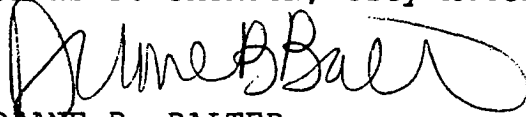
While the Nuisance Abatement Manager has some concerns about the multiple layers of administration and the complex distribution mechanisms set forth in the bill, he strongly supports the bill because it promises some reimbursement for tow and administrative costs.

RECOMMENDATION

It is recommended that the Law and Legislation Committee endorse SB 144.

Respectfully submitted,

JAMES P. JACKSON, City Attorney

A handwritten signature in cursive script, appearing to read "Diane B. Balter".

DIANE B. BALTER
Deputy City Attorney

DBB:je
Att.

May 26, 1988
Law and Legislation
All Districts

AMENDED IN ASSEMBLY SEPTEMBER 11, 1987

AMENDED IN ASSEMBLY SEPTEMBER 10, 1987

AMENDED IN ASSEMBLY SEPTEMBER 8, 1987

AMENDED IN ASSEMBLY SEPTEMBER 2, 1987

AMENDED IN ASSEMBLY AUGUST 18, 1987

AMENDED IN ASSEMBLY JULY 9, 1987

AMENDED IN SENATE JUNE 15, 1987

AMENDED IN SENATE APRIL 21, 1987

AMENDED IN SENATE MARCH 30, 1987

SENATE BILL

No. 144

Introduced by Senator McCorquodale
(Principal coauthors: Senators Ayala and Ellis)
(Coauthors: Senators Deddeh and Kopp)
(Coauthor: Assembly Member Agnos)

January 7, 1987

An act to amend Sections 3068.1, 3071, and 3072 of the Civil Code, and to amend Sections 4760, 4761, 9800, ~~22524~~, 22660, 22665, 22670, and 22710 of, to add Section 22711 to, and to repeal and add Section 9250.7 of, the Vehicle Code, relating to vehicles, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 144, as amended, McCorquodale. Vehicles: abandoned.

(1) Existing law provides separate procedures for the conduct of lien sales of vehicles for vehicles valued at \$1,000 or less and vehicles valued over \$1,000. The threshold amount reverts to \$300 and certain notice and publication requirements change on January 1, 1988.

This bill would make the threshold amount of \$1,000 and the notice and publication requirements permanent and would make related changes.

(2) Existing law provides a procedure for processing notices of parking violations and notices of delinquent parking violations for violations relating to the standing or parking of unattended vehicles; the penalties for which are a lien on any vehicle owned by the owner of the vehicle involved in the offense. Existing law also requires the Department of Motor Vehicles to refuse to renew the registration of any vehicle owned by the violator when parking penalties and fees remain unpaid.

Existing law also prohibits abandoning vehicles upon a highway or, without consent, on private property.

This bill would include violations relating to abandoning vehicles within those provisions of existing law creating a lien on any vehicle owned by the owner of the vehicle involved in the offense and requiring refusal of registration of any vehicle owned by the violator. The bill also creates a presumption that the owner of an abandoned vehicle violated that prohibition against abandoning a vehicle.

(3) Existing law continuously appropriates the money in the Abandoned Vehicle Trust Fund to the Department of the California Highway Patrol for the administration and operation of the abandoned vehicle program, as specified. Existing law required payment of a \$1 fee for all vehicles registered or reregistered, except as specified, during the 1973 calendar year with the revenues deposited in the fund.

This bill would repeal and reenact those provisions, would include abatement of abandoned vehicles from highways in the programs, and would require the payment of a \$1 fee for all vehicles registered or reregistered, or for which renewal of registration becomes delinquent, on or after July 1, 1988, and on or before June 30, 1990, except as specified, thereby imposing a tax for purposes of Article XIII A of the California Constitution. The revenues, less the costs of collection, would be deposited in the fund. The bill would continuously appropriate the money in the fund to the Controller for transfer to cities or counties which have adopted and submitted an allocation plan, pursuant to specified formulas,

for purposes of specified provisions relating to the removal of abandoned vehicles. The bill would declare that the allocation is a state subvention for purposes of Article XIII B of the California Constitution.

The bill would also require the Controller and the county sheriffs and city police departments, in cooperation with the Department of the California Highway Patrol, to make annual reports of specified content, thereby imposing a state-mandated local program. The bill would require the Controller to allocate money from the fund to pay the administrative costs of the reports and the plan.

~~(4)~~

(3) Under existing law, the department is required to administer the local abandoned vehicle abatement and removal program at the request of the local authority.

This bill would authorize rather than require the department to administer the program in that situation.

~~(5)~~

(4) The bill would declare legislative findings relating to the appropriations in the bill.

~~(6)~~

(5) The bill would incorporate additional changes to Sections 3068.1, 3071, and 3072 of the Civil Code and Section 22670 of the Vehicle Code, proposed by AB 97, to be operative only if AB 97 and this bill are both enacted and this bill is enacted last.

~~(7)~~

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates which do not exceed \$500,000 statewide and other procedures for claims whose statewide costs exceed \$500,000.

This bill would provide that, if the Commission on State Mandates determines that this bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to those statutory procedures and, if the statewide cost does not exceed \$500,000, shall be made from the State Mandates Claims Fund, except that, for certain costs, the bill

would provide that no reimbursement is required by this act for specified reasons.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3068.1 of the Civil Code is
2 amended to read:

3 3068.1. (a) Every person has a lien dependent upon
4 possession for the compensation to which the person is
5 legally entitled for towing or storage of any vehicle
6 subject to registration which has been authorized to be
7 removed by a public agency. The lien is deemed to arise
8 on the date of possession of the vehicle.

9 (b) If the vehicle has been determined to have a value
10 of over one hundred dollars (\$100) pursuant to Section
11 22670 of the Vehicle Code, but not exceeding one
12 thousand dollars (\$1,000), the lien shall be satisfied
13 pursuant to Section 3072. Lien-sale proceedings pursuant
14 to this chapter shall commence within 15 days of the date
15 the lien arises. No storage shall accrue beyond the 15-day
16 period unless lien-sale proceedings have commenced.

17 (c) If the vehicle has been determined to have a value
18 exceeding one thousand dollars (\$1,000) pursuant to
19 Section 22670 of the Vehicle Code, the lien shall be
20 satisfied pursuant to Section 3071. The storage lien may
21 be for a period not exceeding 60 days or, if an application
22 for an authorization to conduct a lien sale has been filed
23 pursuant to Section 3071 within 30 days after the lien
24 arises, a period not exceeding 120 days.

25 SEC. 2. Section 3068.1 of the Civil Code is amended
26 to read:

27 3068.1. (a) Every person has a lien dependent upon
28 possession for the compensation to which the person is
29 legally entitled for towing or storage of any vehicle
30 subject to registration which has been authorized to be
31 removed by a public agency. The lien is deemed to arise
32 on the date of possession of the vehicle.

33 (b) If the vehicle has been determined to have a value

1 of over three hundred dollars (\$300) pursuant to Section
2 22670 of the Vehicle Code, but not exceeding one
3 thousand dollars (\$1,000), the lien shall be satisfied
4 pursuant to Section 3072. Lien-sale proceedings pursuant
5 to this chapter shall commence within 15 days of the date
6 the lien arises. No storage shall accrue beyond the 15-day
7 period unless lien-sale proceedings have commenced.

8 (c) If the vehicle has been determined to have a value
9 exceeding one thousand dollars (\$1,000) pursuant to
10 Section 22670 of the Vehicle Code, the lien shall be
11 satisfied pursuant to Section 3071. The storage lien may
12 be for a period not exceeding 60 days or, if an application
13 for an authorization to conduct a lien-sale has been filed
14 pursuant to Section 3071 within 30 days after the lien
15 arises, a period not exceeding 120 days.

16 SEC. 3. Section 3071 of the Civil Code is amended to
17 read:

18 3071. (a) A lienholder shall apply to the department
19 for the issuance of an authorization to conduct a lien sale
20 pursuant to this section for any vehicle with a value
21 determined to be over one thousand dollars (\$1,000). A
22 filing fee shall be charged by the department and may be
23 recovered by the lienholder if a lien sale is conducted or
24 if the vehicle is redeemed. The application shall be
25 executed under penalty of perjury and shall include all of
26 the following information:

27 (1) A description of the vehicle, including make, year
28 model, identification number, license number, and state
29 of registration. For motorcycles, the engine number shall
30 also be included.

31 (2) The names and addresses of the registered and
32 legal owners of the vehicle, if ascertainable from the
33 registration certificates within the vehicle, and the name
34 and address of any person whom the lienholder knows or
35 reasonably should know claims an interest in the vehicle.

36 (3) A statement of the amount of the lien and the facts
37 which give rise to the lien.

38 (b) Upon receipt of an application made pursuant to
39 subdivision (a), the department shall do all of the
40 following:

1 (1) Notify the vehicle registry agency of a foreign state
2 of the pending lien sale, if the vehicle bears indicia of
3 registration in that state.

4 (2) By certified mail, send a notice, a copy of the
5 application, and a return envelope preaddressed to the
6 department to the registered and legal owners at their
7 addresses of record with the department, and to any
8 other person whose name and address is listed in the
9 application.

10 (c) The notice required pursuant to subdivision (b)
11 shall include all of the following statements and
12 information:

13 (1) An application has been made with the
14 department for authorization to conduct a lien sale.

15 (2) The person has a right to a hearing in court.

16 (3) If a hearing in court is desired, a Declaration of
17 Opposition form, signed under penalty of perjury, shall
18 be signed and returned to the department within 15 days
19 of the date that the notice required pursuant to
20 subdivision (b) was mailed.

21 (4) If the Declaration of Opposition form is signed and
22 returned to the department, the lienholder will be
23 allowed to sell the vehicle only if he or she obtains a court
24 judgment or if he or she obtains a subsequent release
25 from the declarant.

26 (5) If a court action is filed, the declarant will be
27 notified of the lawsuit at the address shown on the
28 Declaration of Opposition form and may appear to
29 contest the claim.

30 (6) The person may be liable for court costs if a
31 judgment is entered in favor of the lienholder.

32 (d) If the department receives the Declaration of
33 Opposition form in the time provided, the department
34 shall notify the lienholder within 16 days of the receipt of
35 the form that a lien sale shall not be conducted unless the
36 lienholder files an action in court within 20 days of the
37 notice. A lien sale of the vehicle shall not be conducted
38 unless judgment is subsequently entered in favor of the
39 lienholder or the declarant subsequently releases his or
40 her interest in the vehicle.

1 (e) Service on the declarant by certified mail with
2 return receipt requested, signed by the declarant or an
3 authorized agent of the declarant at the address shown on
4 the Declaration of Opposition form, shall be effective. If
5 the lienholder has served the declarant by certified mail
6 at the address shown on the Declaration of Opposition
7 form and the mail has been returned unclaimed, the
8 Department of Motor Vehicles may authorize the sale.

9 (f) Upon receipt of authorization to conduct the lien
10 sale from the department, the lienholder shall do all of
11 the following:

12 (1) At least five days, but not more than 20 days, prior
13 to the lien sale, not counting the day of the sale, give
14 notice of the sale by advertising once in a newspaper of
15 general circulation published in the county in which the
16 vehicle is located. If there is no newspaper published in
17 the county, notice shall be given by posting a Notice of
18 Sale form in three of the most public places in the town
19 in which the vehicle is located and at the place where the
20 vehicle is to be sold for 10 consecutive days prior to and
21 including the day of the sale.

22 (2) Send a Notice of Pending Lien Sale form 20 days
23 prior to the sale but not counting the day of sale, by
24 certified mail with return receipt requested, to each of
25 the following:

26 (A) The registered and legal owners of the vehicle, if
27 registered in this state.

28 (B) All persons known to have an interest in the
29 vehicle.

30 (C) The Department of Motor Vehicles.

31 (g) All notices required by this section, including the
32 notice forms prescribed by the department, shall specify
33 the make, year model, vehicle identification number,
34 license number, and state of registration, if available, and
35 the specific date, exact time, and place of sale. For
36 motorcycles, the engine number shall also be included.

37 (h) No lien sale shall be undertaken pursuant to this
38 section unless the vehicle has been available for
39 inspection at a location easily accessible to the public for
40 at least one hour before the sale and is at the place of sale

1 at the time and date specified on the notice of sale. Sealed
2 bids shall not be accepted. The lienholder shall conduct
3 the sale in a commercially reasonable manner.

4 (1) Within 10 days after the sale of any vehicle
5 pursuant to the provisions of this section, the legal or
6 registered owner may redeem the vehicle upon the
7 payment of the amount of the sale, all costs and expenses
8 of the sale, together with interest on the total sum at the
9 rate of 12 percent per annum from the due date thereof
10 or the date when the same were advanced until the
11 repayment. If the vehicle is not redeemed, all lien sale
12 documents required by the Department of Motor
13 Vehicles shall then be completed and delivered to the
14 buyer.

15 SEC. 4. Section 3071 of the Civil Code is amended to
16 read:

17 3071. (a) A lienholder shall apply to the department
18 for the issuance of an authorization to conduct a lien sale
19 pursuant to this section for any vehicle with a value
20 determined to be over one thousand dollars (\$1,000). A
21 filing fee shall be charged by the department and may be
22 recovered by the lienholder if a lien sale is conducted or
23 if the vehicle is redeemed. The application shall be
24 executed under penalty of perjury and shall include all of
25 the following information:

26 (1) A description of the vehicle, including make, year
27 model, identification number, license number, and state
28 of registration. For motorcycles, the engine number shall
29 also be included.

30 (2) The names and addresses of the registered and
31 legal owners of the vehicle, if ascertainable from the
32 registration certificates within the vehicle, and the name
33 and address of any person whom the lienholder knows or
34 reasonably should know claims an interest in the vehicle.

35 (3) A statement of the amount of the lien and the facts
36 which give rise to the lien.

37 (b) Upon receipt of an application made pursuant to
38 subdivision (a), the department shall do all of the
39 following:

40 (1) Notify the vehicle registry agency of a foreign state

1 of the pending lien sale, if the vehicle bears indicia of
2 registration in that state.

3 (2) By certified mail, send a notice, a copy of the
4 application, and a return envelope preaddressed to the
5 department to the registered and legal owners at their
6 addresses of record with the department, and to any
7 other person whose name and address is listed in the
8 application.

9 (c) The notice required pursuant to subdivision (b)
10 shall include all of the following statements and
11 information:

12 (1) An application has been made with the
13 department for authorization to conduct a lien sale.

14 (2) The person has a right to a hearing in court.

15 (3) If a hearing in court is desired, a Declaration of
16 Opposition form, signed under penalty of perjury, shall
17 be signed and returned to the department within 15 days
18 of the date that the notice required pursuant to
19 subdivision (b) was mailed.

20 (4) If the Declaration of Opposition form is signed and
21 returned to the department, the lienholder shall be
22 allowed to sell the vehicle only if he or she obtains a court
23 judgment or if he or she obtains a subsequent release
24 from the declarant.

25 (5) If a court action is filed, the declarant shall be
26 notified of the lawsuit at the address shown on the
27 Declaration of Opposition form and may appear to
28 contest the claim.

29 (6) The person may be liable for court costs if a
30 judgment is entered in favor of the lienholder.

31 (d) If the department receives the Declaration of
32 Opposition form in the time specified, the department
33 shall notify the lienholder within 16 days of the receipt of
34 the form that a lien sale shall not be conducted unless the
35 lienholder files an action in court within 20 days of the
36 department's notice under this subdivision. A lien sale of
37 the vehicle shall not be conducted unless judgment is
38 subsequently entered in favor of the lienholder or the
39 declarant subsequently releases his or her interest in the
40 vehicle.

1 (e) Service on the declarant by certified mail with
2 return receipt requested, signed by the declarant or an
3 authorized agent of the declarant at the address shown on
4 the Declaration of Opposition form, shall be effective. If
5 the lienholder has served the declarant by certified mail
6 at the address shown on the Declaration of Opposition
7 form and the mail has been returned unclaimed, the
8 department may authorize the sale.

9 (f) Upon receipt of authorization to conduct the lien
10 sale from the department, the lienholder shall do all of
11 the following:

12 (1) At least five days, but not more than 20 days, prior
13 to the lien sale, not counting the day of the sale, give
14 notice of the sale by advertising once in a newspaper of
15 general circulation published in the county in which the
16 vehicle is located. If there is no newspaper published in
17 the county, notice shall be given by posting a Notice of
18 Sale form in three of the most public places in the town
19 in which the vehicle is located and at the place where the
20 vehicle is to be sold for 10 consecutive days prior to and
21 including the day of the sale.

22 (2) Send a Notice of Pending Lien Sale form 20 days
23 prior to the sale but not counting the day of sale, by
24 certified mail with return receipt requested, to each of
25 the following:

26 (A) The registered and legal owners of the vehicle, if
27 registered in this state.

28 (B) All persons known to have an interest in the
29 vehicle.

30 (C) The department.

31 (g) All notices required by this section, including the
32 notice forms prescribed by the department, shall specify
33 the make, year model, vehicle identification number,
34 license number, and state of registration, if available, and
35 the specific date, exact time, and place of sale. For
36 motorcycles, the engine number shall also be included.

37 (h) No lien sale shall be undertaken pursuant to this
38 section unless the vehicle has been available for
39 inspection at a location easily accessible to the public for
40 at least one hour before the sale and is at the place of sale

1 at the time and date specified on the notice of sale. Sealed
2 bids shall not be accepted. The lienholder shall conduct
3 the sale in a commercially reasonable manner.

4 (i) Within 10 days after the sale of any vehicle
5 pursuant to this section, the legal or registered owner
6 may redeem the vehicle upon the payment of the
7 amount of the sale, all costs and expenses of the sale,
8 together with interest on the sum at the rate of 12 percent
9 per annum from the due date thereof or the date when
10 that sum was advanced until the repayment. If the
11 vehicle is not redeemed, all lien sale documents required
12 by the department shall then be completed and
13 delivered to the buyer.

14 SEC. 5. Section 3072 of the Civil Code is amended to
15 read:

16 3072. (a) For vehicles with a value determined to be
17 one thousand dollars (\$1,000) or less, the lienholder shall
18 apply to the department for the names and addresses of
19 the registered and legal owners of record.

20 (b) The lienholder shall, immediately upon receipt of
21 the names and addresses, send, by certified mail with
22 return receipt requested or by United States Postal
23 Service Certificate of Mailing, a completed Notice of
24 Pending Lien Sale form, a blank Declaration of
25 Opposition form, and a return envelope preaddressed to
26 the Department of Motor Vehicles, to the registered
27 owner and legal owner at their addresses of record with
28 the Department of Motor Vehicles, and to any other
29 person known to have an interest in the vehicle. The
30 lienholder shall additionally send a copy of the completed
31 Notice of Pending Lien Sale form to the Department of
32 Motor Vehicles by certified mail on the same day that the
33 other notices are mailed pursuant to this subdivision.

34 (c) All notices to persons having an interest in the
35 vehicle shall be signed under penalty of perjury and shall
36 include all of the following information and statements:

37 (1) A description of the vehicle, including make, year
38 model, identification number, license number, and state
39 of registration. For motorcycles, the engine number shall
40 also be included.

1 (2) The specific date, exact time, and place of sale,
2 which shall be set not less than 31 days, but not more than
3 35 days, from the date of mailing.

4 (3) The names and addresses of the registered and
5 legal owners of the vehicle and any other person known
6 to have an interest in the vehicle.

7 (4) All of the following statements:

8 (A) The amount of the lien and the facts concerning
9 the claim which gives rise to the lien.

10 (B) The person has a right to a hearing in court.

11 (C) If a court hearing is desired, a Declaration of
12 Opposition form, signed under penalty of perjury, shall
13 be signed and returned to the Department of Motor
14 Vehicles within 15 days of the date the Notice of Pending
15 Lien Sale form was mailed.

16 (D) If the Declaration of Opposition form is signed
17 and returned, the lienholder will be allowed to sell the
18 vehicle only if he or she obtains a court judgment or if he
19 or she obtains a subsequent release from the declarant.

20 (E) If a court action is filed, the declarant will be
21 notified of the lawsuit at the address shown on the
22 Declaration of Opposition form and may appear to
23 contest the claim.

24 (F) The person may be liable for court costs if a
25 judgment is entered in favor of the lienholder.

26 (d) If the department receives the completed
27 Declaration of Opposition form within the time
28 provided, the department shall notify the lienholder
29 within 16 days that a lien sale shall not be conducted
30 unless the lienholder files an action in court within 20
31 days of the notice and judgment is subsequently entered
32 in favor of the lienholder or the declarant subsequently
33 releases his or her interest in the vehicle.

34 (e) Service on the declarant by certified mail with
35 return receipt requested, signed by the declarant or an
36 authorized agent of the declarant at the address shown on
37 the Declaration of Opposition form, shall be effective. If
38 the lienholder has served the declarant by certified mail
39 at the address shown on the Declaration of Opposition
40 form and the mail has been returned unclaimed, the

1 lienholder may proceed with the sale.

2 (f) At least 10 consecutive days prior to and including
3 the day of the sale, the lienholder shall post a Notice of
4 Pending Lien Sale form in a conspicuous place on the
5 premises of the business office of the lienholder. The
6 Notice of Pending Lien Sale form shall state the specific
7 date and exact time of the sale and description of the
8 vehicle, including the make, year model, identification
9 number, license number, and state of registration. For
10 motorcycles, the engine number shall also be included.
11 The notice of sale shall remain posted until the sale is
12 completed.

13 (g) No lien sale shall be undertaken pursuant to this
14 section unless the vehicle has been available for
15 inspection at a location easily accessible to the public at
16 least one hour before the sale and is at the place of sale
17 at the time and date specified on the notice of sale. Sealed
18 bids shall not be accepted. The lienholder shall conduct
19 the sale in a commercially reasonable manner. All lien
20 sale documents required by the Department of Motor
21 Vehicles shall be completed and delivered to the buyer
22 immediately following the sale.

23 SEC. 6. Section 3072 of the Civil Code is amended to
24 read:

25 3072. (a) For vehicles with a value determined to be
26 one thousand dollars (\$1,000) or less, the lienholder shall
27 apply to the department for the names and addresses of
28 the registered and legal owners of record.

29 (b) The lienholder shall, immediately upon receipt of
30 the names and addresses, send, by certified mail with
31 return receipt requested or by United States Postal
32 Service Certificate of Mailing, a completed Notice of
33 Pending Lien Sale form, a blank Declaration of
34 Opposition form, and a return envelope preaddressed to
35 the department, to the registered owner and legal owner
36 at their addresses of record with the department, and to
37 any other person known to have an interest in the
38 vehicle. The lienholder shall additionally send a copy of
39 the completed Notice of Pending Lien Sale form to the
40 department by certified mail on the same day that the

1 other notices are mailed pursuant to this subdivision.

2 (c) All notices to persons having an interest in the
3 vehicle shall be signed under penalty of perjury and shall
4 include all of the following information and statements:

5 (1) A description of the vehicle, including make, year
6 model, identification number, license number, and state
7 of registration. For motorcycles, the engine number shall
8 also be included.

9 (2) The specific date, exact time, and place of sale,
10 which shall be set not less than 31 days, but not more than
11 35 days, from the date of mailing.

12 (3) The names and addresses of the registered and
13 legal owners of the vehicle and any other person known
14 to have an interest in the vehicle.

15 (4) All of the following statements:

16 (A) The amount of the lien and the facts concerning
17 the claim which gives rise to the lien.

18 (B) The person has a right to a hearing in court.

19 (C) If a court hearing is desired, a Declaration of
20 Opposition form, signed under penalty of perjury, shall
21 be signed and returned to the department within 15 days
22 of the date the Notice of Pending Lien Sale form was
23 mailed.

24 (D) If the Declaration of Opposition form is signed
25 and returned, the lienholder shall be allowed to sell the
26 vehicle only if he or she obtains a court judgment or if he
27 or she obtains a subsequent release from the declarant.

28 (E) If a court action is filed, the declarant shall be
29 notified of the lawsuit at the address shown on the
30 Declaration of Opposition form and may appear to
31 contest the claim.

32 (F) The person may be liable for court costs if a
33 judgment is entered in favor of the lienholder.

34 (d) If the department receives the completed
35 Declaration of Opposition form within the time specified,
36 the department shall notify the lienholder within 16 days
37 that a lien sale shall not be conducted unless the
38 lienholder files an action in court within 20 days of the
39 notice and judgment is subsequently entered in favor of
40 the lienholder or the declarant subsequently releases his

1 or her interest in the vehicle.

2 (e) Service on the declarant by certified mail with
3 return receipt requested, signed by the declarant or an
4 authorized agent of the declarant at the address shown on
5 the Declaration of Opposition form, shall be effective. If
6 the lienholder has served the declarant by certified mail
7 at the address shown on the Declaration of Opposition
8 form and the mail has been returned unclaimed, the
9 lienholder may proceed with the sale.

10 (f) At least 10 consecutive days prior to and including
11 the day of the sale, the lienholder shall post a Notice of
12 Pending Lien Sale form in a conspicuous place on the
13 premises of the business office of the lienholder. The
14 Notice of Pending Lien Sale form shall state the specific
15 date and exact time of the sale and description of the
16 vehicle, including the make, year model, identification
17 number, license number, and state of registration. For
18 motorcycles, the engine number shall also be included.
19 The notice of sale shall remain posted until the sale is
20 completed.

21 (g) No lien sale shall be undertaken pursuant to this
22 section unless the vehicle has been available for
23 inspection at a location easily accessible to the public at
24 least one hour before the sale and is at the place of sale
25 at the time and date specified on the notice of sale. Sealed
26 bids shall not be accepted. The lienholder shall conduct
27 the sale in a commercially reasonable manner. All lien
28 sale documents required by the department shall be
29 completed and delivered to the buyer immediately
30 following the sale.

31 **SEC. 7.** Section 4760 of the Vehicle Code is amended
32 to read:

33 **4760.** (a) Except as provided in subdivision (b), the
34 department shall refuse to renew the registration of any
35 vehicle whose registered owner, rentee, or lessee has
36 been mailed a notice of delinquent parking violation
37 relating to standing, parking, or abandoning of any
38 vehicle, an itemization of unpaid parking penalties,
39 including administrative fees, has been filed with, or
40 electronically transmitted to, the department under

1 Section 40220, and that person has not paid the parking
2 penalty and administrative fee pursuant to Section 40211;
3 unless he or she pays to the department, at the time of
4 application for renewal, the full amount of all
5 outstanding parking penalties and administrative fees, as
6 shown by records of the department.

7 (b) The department shall not refuse to renew the
8 registration of any vehicle owned by a renter or lessor
9 when the renter or lessor applies for renewal without
10 paying to the department, at the time of submitting the
11 application for renewal, the full amount of all outstanding
12 parking penalties and administrative fees as shown by
13 records of the department, if the application for renewal
14 is accompanied by an affidavit of the applicant in a form
15 acceptable to the department stating that the vehicle was
16 in the possession of the rentee or lessee at the time of
17 occurrence of the parking violation or abandoning of a
18 vehicle for which the full amount of parking penalties is
19 not enclosed and the name, address, and driver's license
20 number of the rentee or lessee.

21 **SEC. 8.** Section 4761 of the Vehicle Code is amended
22 to read:

23 **4761.** The department shall include on each potential
24 registration card issued for use at the time of renewal, or
25 on an accompanying document, an itemization of unpaid
26 parking penalties, including administrative fees, showing
27 the amount thereof and the jurisdiction which issued the
28 notice of delinquent parking violation relating thereto,
29 which the registered owner or lessee is required to pay
30 pursuant to Section 4760.

31 **SEC. 9.**

32 **SEC. 7.** Section 9250.7 of the Vehicle Code is
33 repealed.

34 **SEC. 10.**

35 **SEC. 8.** Section 9250.7 is added to the Vehicle Code,
36 to read:

37 **9250.7.** (a) In addition to the registration fees
38 specified in Section 9250 and any weight fees, a service
39 fee of one dollar (\$1) shall be paid for every vehicle at the
40 time of registration, or renewal of registration,, or for

1 which renewal of registration becomes delinquent, on or
2 after July 1, 1988, and on or before June 30, 1990, except
3 vehicles that are expressly exempted under this code
4 from the payment of registration fees.

5 (b) After deducting its administrative costs, the
6 department shall deposit the fees collected pursuant to
7 subdivision (a) in the Abandoned Vehicle Trust Fund,
8 which is hereby created. Notwithstanding Section 13340
9 of the Government Code, all money in the fund is
10 continuously appropriated to the Controller for
11 allocation to pay the administrative costs of the
12 Controller and the Department of the California
13 Highway Patrol under this section and for transfer to
14 counties and cities pursuant to Section 22710. Annually,
15 commencing July 1, 1989, the Controller shall report an
16 accounting of money from the fund to the Legislature.
17 Any moneys remaining in the Abandoned Vehicle Trust
18 Fund created by Section 9250.7 as it read prior to January
19 1, 1988, is hereby transferred to the Abandoned Vehicle
20 Trust Fund created by this subdivision. Money deposited
21 in the fund shall not be expended for any purpose other
22 than an abandoned vehicle program pursuant to Section
23 22660.

24 (c) The county sheriffs and city police departments, in
25 cooperation with the Department of the California
26 Highway Patrol, shall make a survey of the number of
27 abandoned vehicles which cannot be traced to an owner
28 or other person responsible for their abandonment, and
29 which are located upon the streets and highways of this
30 state, which can be seen therefrom, or which have been
31 removed and impounded pursuant to procedures for the
32 abatement of abandoned vehicles or parts thereof
33 established pursuant to Section 22660.

34 (d) Annually, the Department of the California
35 Highway Patrol shall report its findings from the survey
36 conducted under subdivision (c) and the effects of the
37 abandoned vehicle abatement program administered
38 pursuant to Section 22710 to the Legislature,
39 commencing July 1, 1989.

40 **SEC. 11. Section 9800 of the Vehicle Code is amended**

1 to read:

2 9800: (a) Payments for any of the following, and any
3 interest, penalties, or service fees added thereto;
4 required to register or transfer the registration of a
5 vehicle; constitute a lien on the vehicle on which they are
6 due or which was involved in the offense; and on any
7 other vehicle owned by the owner of that vehicle:

8 (1) Registration fees;

9 (2) Transfer fees;

10 (3) License fees;

11 (4) Use taxes;

12 (b) Penalties for offenses relating to the standing,
13 parking, or abandoning of a vehicle for which a notice of
14 parking violation has been served on the owner.

15 (b) Notwithstanding subdivision (a), if a person is
16 cited for a foreign registered auxiliary dolly, semitrailer,
17 or trailer having been operated without current year
18 registration or valid California permits or registration; an
19 amount equal to the minimum registration fees or
20 transfer fees; and any penalty added thereto; from the
21 date they became due; shall, by election of the power unit
22 operator; constitute a lien upon the California registered
23 power unit which was pulling the dolly, semitrailer, or
24 trailer. However, this subdivision is not applicable if the
25 citation is issued at a scale operated by the Department
26 of the California Highway Patrol and registration for the
27 vehicle can be issued there immediately upon payment
28 of the fees due.

29 (c) Every lien arising under this section expires three
30 years from the date the fee, tax, or parking penalty first
31 became due.

32 (d) Employees and members of the Department of
33 the California Highway Patrol assigned to commercial
34 vehicle scale facilities are agents of the Department of
35 Motor Vehicles for the purposes of collecting fees and
36 taxes which are a lien on commercial vehicles.

37 (e) Employees and members of the Department of
38 the California Highway Patrol assigned to commercial
39 vehicle scale facilities may possess and sell trip permits
40 approved by the Department of Motor Vehicles.

1 ~~SEC. 12.~~ Section 22524 of the Vehicle Code is
2 amended to read:

3 ~~22524.~~ The abandonment of any vehicle is a prima
4 facie presumption that the last registered owner of
5 record in the records of the Department of Motor
6 Vehicles, not having complied with Section 5602,
7 abandoned the vehicle in violation of Section 22522. In
8 addition to any parking penalty fine or forfeiture
9 imposed pursuant to law, if any person, including, but not
10 limited to, that last registered owner, is convicted of a
11 violation of Section 22522, or is found responsible for the
12 abandonment in any civil or administrative action, that
13 person is also liable for the cost of removal and disposition
14 of the vehicle.

15 ~~SEC. 13.~~

16 ~~SEC. 9.~~ Section 22660 of the Vehicle Code is amended
17 to read:

18 22660. Notwithstanding any other provision of law, a
19 city, county, or city and county may adopt an ordinance
20 establishing procedures for the abatement and removal,
21 as public nuisances, of abandoned, wrecked, dismantled,
22 or inoperative vehicles or parts thereof from private or
23 public property; and for the recovery, pursuant to
24 Section 25845 or 38773.5 of the Government Code, or
25 assumption by the local authority, of costs of
26 administration and that removal.

27 ~~SEC. 14.~~

28 ~~SEC. 10.~~ Section 22665 of the Vehicle Code is
29 amended to read:

30 22665. Notwithstanding Section 22710 or any other
31 provision of law, the department may, at the request of
32 a local authority, administer on behalf of the local
33 authority its abandoned vehicle abatement and removal
34 program established pursuant to Section 22660. For any
35 program which the department administers pursuant to
36 this section, it may be reimbursed from the Abandoned
37 Vehicle Trust Fund to the extent to which it is not
38 reimbursed by the local authority pursuant to Section
39 22666.

40 ~~SEC. 15.~~

1 *SEC. 11.* Section 22670 of the Vehicle Code is
2 amended to read:

3 22670. For lien sale purposes, the public agency
4 causing the removal of the vehicle shall determine if the
5 estimated value of the vehicle that has been ordered
6 removed, towed, or stored is one hundred dollars (\$100)
7 or less, over one hundred dollars (\$100) but one thousand
8 dollars (\$1,000) or less, or over one thousand dollars
9 (\$1,000).

10 If the public agency fails or refuses to put a value on,
11 or to estimate the value of, the vehicle within 3 days after
12 the date of removal of the vehicle, the garage keeper
13 specified in Section 22851 or the garage keeper's agent
14 shall determine, under penalty of perjury, if the
15 estimated value of the vehicle that has been ordered
16 removed, towed, or stored, is one hundred dollars (\$100)
17 or less, over one hundred dollars (\$100) but one thousand
18 dollars (\$1,000) or less, or over one thousand dollars
19 (\$1,000).

20 ~~SEC. 16.~~

21 *SEC. 12.* Section 22670 of the Vehicle Code is
22 amended to read:

23 22670. For lien sale purposes, the public agency
24 causing the removal of the vehicle shall determine if the
25 estimated value of the vehicle that has been ordered
26 removed, towed, or stored is three hundred dollars
27 (\$300) or less, over three hundred dollars (\$300) but one
28 thousand dollars (\$1,000) or less, or over one thousand
29 dollars (\$1,000).

30 If the public agency fails or refuses to put a value on,
31 or to estimate the value of, the vehicle within three days
32 after the date of removal of the vehicle, the garage
33 keeper specified in Section 22851 or the garage keeper's
34 agent shall determine, under penalty of perjury, if the
35 estimated value of the vehicle that has been ordered
36 removed, towed, or stored, is three hundred dollars
37 (\$300) or less, over three hundred dollars (\$300) but one
38 thousand dollars (\$1,000) or less, or over one thousand
39 dollars (\$1,000).

40 ~~SEC. 17.~~

1 *SEC. 13.* Section 22710 of the Vehicle Code is
2 amended to read:

3 22710. (a) The money from the Abandoned Vehicle
4 Trust Fund created pursuant to Section 9250.7 shall be
5 used by a city or county which, pursuant to Section 22660,
6 establishes procedures for the abatement, removal, and
7 disposal as public nuisances of any abandoned vehicles or
8 parts thereof from corridors of the state highway system,
9 from any highway, from public lands and parks, and from
10 river, wildlife, agricultural, and recreational areas, to
11 carry out the procedures. Any funds transferred pursuant
12 to Section 9250.7 shall only be used to pay the costs of
13 abatement, removal, and disposal of abandoned vehicles
14 under an abandoned vehicle abatement program
15 adopted pursuant to Section 22660 on or before April 1,
16 1988, or, pursuant to Section 22711, on or before April 1,
17 1989.

18 (b) The Controller shall allocate the moneys from the
19 Abandoned Vehicle Trust Fund to each county or city
20 which operates an abandoned vehicle abatement
21 program in an amount determined from the allocation
22 plan for the allocation of funds to operating jurisdictions
23 in that county established under subdivision (c) or
24 Section 22711, based upon the ratio of the number of
25 registered vehicles in that county to the number of
26 registered vehicles in all counties which have submitted
27 an allocation plan to the Controller. The Controller shall
28 make the transfers to operating jurisdictions monthly
29 commencing August 1, 1988, or as soon thereafter as
30 practicable, for plans adopted under subdivision (c), and
31 commencing August 1, 1989, for plans adopted under
32 Section 22711.

33 (c) (1) If a county or any city in a county, adopts an
34 abandoned vehicle abatement program pursuant to
35 Section 22660 on or before April 1, 1988, that county or
36 city shall meet and confer with all other cities in the
37 county, and with the county, to establish a county
38 allocation plan for funds received from the Controller
39 pursuant to subdivision (b).

40 (2) The county allocation plan shall provide for the

1 allocation of the proportional amount to be allocated to
2 each operating jurisdiction from the amounts transferred
3 to all jurisdictions operating abandoned vehicle programs
4 in that county pursuant to subdivision (a).

5 (3) The county allocation plan shall be approved by a
6 majority of the cities having a majority of the
7 incorporated population and by the county.

8 (4) The county allocation plan shall be submitted to
9 the Controller on or before May 1, 1988. The Controller
10 shall make no transfers to an operating jurisdiction
11 pursuant to subdivision (a) in a county for which a county
12 allocation plan was not received on or before May 1, 1988.

13 (d) Any city or county which operates an abandoned
14 vehicle program pursuant to Section 22660 may provide
15 for the removal of abandoned vehicles by franchise or
16 may contract for the removal with the Department of the
17 California Highway Patrol.

18 (e) (1) Each city or county which operates an
19 abandoned vehicle program pursuant to Section 22660
20 shall report to the Controller both of the following:

21 (A) The amount of money from the Abandoned
22 Vehicle Trust Fund that that jurisdiction may receive
23 before it reaches its appropriations limit under
24 subdivision (a) of Section 8 of Article XIII B of the
25 California Constitution.

26 (B) When the jurisdiction actually reaches its
27 appropriations limit under subdivision (a) of Section 8 of
28 Article XIII B of the California Constitution.

29 (2) The Controller shall discontinue allocation of
30 moneys in the Abandoned Vehicle Trust Fund to any
31 jurisdiction that has reached its appropriations limit
32 under subdivision (a) of Section 8 of Article XIII B of the
33 California Constitution and shall, until the beginning of
34 the next fiscal year or until the appropriations limit of
35 that jurisdiction is changed, whichever is sooner,
36 thereafter allocate pursuant to subdivision (b) the
37 moneys in the Abandoned Vehicle Trust Fund to those
38 other jurisdictions in that county operating an abandoned
39 vehicle abatement program which have not reached
40 their appropriations limits.

1 (f) Notwithstanding Section 7903 of the Government
2 Code, the allocation of moneys from the Abandoned
3 Vehicle Trust Fund to counties and cities pursuant to
4 Section 9250.7 and this section is a state subvention.

5 ~~SEC. 18.~~

6 *SEC. 14.* Section 22711 is added to the Vehicle Code,
7 to read:

8 22711. (a) Any county in which an allocation plan has
9 not been adopted by the county, or by a city within the
10 county, pursuant to Section 22710 may submit an
11 allocation plan to the Controller on or before May 1, 1989.
12 Any county in which an allocation plan was adopted by
13 the county, or any city within the county, pursuant to
14 Section 22710 may submit a revised allocation plan to the
15 Controller on or before May 1, 1989.

16 (b) The allocation plan under this section shall be
17 approved and submitted to the Controller as provided in
18 subdivision (c) of Section 22710. After the approval and
19 submission of the plan under this section, the Controller
20 shall allocate money to the county as provided in
21 subdivision (b) of Section 22710.

22 (c) A county submitting an allocation plan under this
23 section shall comply with subdivisions (a), (d), and (e) of
24 Section 22710.

25 ~~SEC. 19.~~

26 *SEC. 15.* The Legislature finds and declares that the
27 appropriation contained in this act is not an
28 "appropriation subject to limitation" of the state, as
29 defined by subdivision (a) of Section 8 of Article XIII B
30 of the California Constitution, because this appropriation
31 is a state subvention for the use by, and operation of, local
32 government, other than a subvention made pursuant to
33 Section 6 of Article XIII B.

34 ~~SEC. 20.~~

35 *SEC. 16.* Section 2 of this bill incorporates
36 amendments to Section 3068.1 of the Civil Code proposed
37 by both this bill and AB 97. It shall only become operative
38 if (1) both bills are enacted and become effective on
39 January 1, 1988, (2) each bill amends Section 3068.1 of the
40 Civil Code, and (3) this bill is enacted after AB 97, in

1 which case Section 1 of this bill shall not become
2 operative.

3 ~~SEC. 21.~~

4 *SEC. 17.* Section 4 of this bill incorporates
5 amendments to Section 3071 of the Civil Code proposed
6 by both this bill and AB 97. It shall only become operative
7 if (1) both bills are enacted and become effective on
8 January 1, 1988, (2) each bill amends Section 3071 of the
9 Civil Code, and (3) this bill is enacted after AB 97, in
10 which case Section 3 of this bill shall not become
11 operative.

12 ~~SEC. 22.~~

13 *SEC. 18.* Section 6 of this bill incorporates
14 amendments to Section 3072 of the Civil Code proposed
15 by both this bill and AB 97. It shall only become operative
16 if (1) both bills are enacted and become effective on
17 January 1, 1988, (2) each bill amends Section 3072 of the
18 Civil Code, and (3) this bill is enacted after AB 97, in
19 which case Section 5 of this bill shall not become
20 operative.

21 ~~SEC. 23. Section 16~~

22 *SEC. 19.* Section 12 of this bill incorporates
23 amendments to Section 22670 of the Vehicle Code
24 proposed by both this bill and AB 97. It shall only become
25 operative if (1) both bills are enacted and become
26 effective on January 1, 1988, (2) each bill amends Section
27 22670 of the Vehicle Code, and (3) this bill is enacted
28 after AB 97, in which case Section ~~15~~ 11 of this bill shall
29 not become operative.

30 ~~SEC. 24.~~

31 *SEC. 20.* Notwithstanding Section 17610 of the
32 Government Code, if the commission on State Mandates
33 determines that this act contains costs mandated by the
34 state, reimbursement to local agencies and school
35 districts for those costs shall be made pursuant to Part 7
36 (commencing with Section 17500) of Division 4 of Title
37 2 of the Government Code. If the statewide cost of the
38 claim for reimbursement does not exceed five hundred
39 thousand dollars (\$500,000), reimbursement shall be
40 made from the State Mandates Claims Fund, except that

1 no reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution
3 for those costs which the local agencies or school districts
4 have the authority to levy service charges, fees, or
5 assessments sufficient to pay for the program or level of
6 service mandated by this act and because the Legislature
7 finds and declares that there are savings as well as costs
8 in this act, which in the aggregate do not result in
9 additional net costs, to the other local agencies or school
10 districts affected by this act.

O