Vehicle Industry News
VIN 2023–08
Salvage Pool Lien Sales

DIGITAL CHANNELS BRANCH • DIGITAL SERVICES DIVISION • © 2023 STATE OF CALIFORNIA, DEPARTMENT OF MOTOR VEHICLES. ALL RIGHTS RESERVED.

Implementation Date: November 10, 2023

New Information

This memo supersedes and obsoletes the VIN 2016–08 Salvage Pool Lien Sale memo. Salvage pools **cannot** conduct a lien sale to obtain title to a vehicle.

Procedures

Follow regular procedures in processing lien sales. Lien sale paperwork that shows a salvage pool as the lienholder, **and** was started prior to November 10, 2023, will still be accepted. Salvage pools may continue to sell vehicles that went through a lien sale process prior to the salvage pool's possession.

Background

The *Vehicle Industry Registration Procedures Manual*, Chapter 18, prohibits a salvage pool from conducting a lien sale to obtain title to a vehicle. The *Vehicle Code* (VC) defines salvage pools as businesses "exclusively" in the business of disposing of vehicles and not in the business of repairing, storing, or towing vehicles. Therefore, salvage pools cannot utilize lien sale processes described in the *Civil Code*. VC also prohibits salvage pools from selling a vehicle unless the sale is in conjunction with salvage or nonrepairable certificates. See *Vehicle Industry Registration Procedures Manual*, Chapter 19 for additional information regarding salvage or nonrepairable vehicle transactions.

References

Vehicle Code §§543, 11515, 11515.1
Civil Code §§3068 and 3068.1
Vehicle Industry Registration Procedures Manual, Chapters 18 and 19

Distribution

Notification that this memo is available at **dmv.ca.gov** under Vehicle Industry Services, was made via the California DMV Automated Email Alert System in October 2023 to the following:

- Dealers
- Registration Services

Contact

Call the DMV Customer Care Section at (916) 657-6560 for further clarification of this memo.