

The evolution of vehicle lien sales in California: 1911 to 2025

By Jeff Moriarty

The *California Civil Code* was adopted on March 21, 1872. Twenty-five years later, on May 30, 1897, the first automobile ride in California was documented. And fourteen years after that, on June 11, 1911, an amendment to CCC 3051 addressing garage keeper liens on automobiles went into effect. This is the first mention of vehicles in the CCC.

CCC 3051. **Special Lien on Personal Property.** Every person who, while lawfully in possession of an article of personal property renders any service to the owner thereof, by labor or skill, ... has a special lien thereon ... for the compensation, if any, which is due to him from the owner for such service; a person who makes, alters, or repairs any article of personal property, at the request of the owner, ... and livery or boarding or feed stable proprietors ... and persons pasturing horses or stock ... and laundry proprietors and persons conducting a laundry business ... and veterinary proprietors and veterinary surgeons ... **and keepers of garages for automobiles, shall have a lien, dependent upon possession, for their compensation in caring for and safe keeping such automobiles.**

CCC 3051 speaks of persons engaged in business activity for compensation. Personal property creation and repair, animals, laundry, and automobiles. In 1911, mostly sole proprietors or partnerships conducted such business activity.

CCC 3052 describes how a lienholder may sell the property at a public auction. If not paid within 20 days, the lienholder may proceed by advertising at least 10 days prior to the sale in a county newspaper (if there is a newspaper), or posting a notice in three of the most public places in the town or place where the property is to be sold.

The Motor Vehicle Act of 1913, and the Vehicle Acts of 1915 and 1923 were codified into the first version of the *California Vehicle Code* in 1935:

1935, California Vehicle Code

DIVISION 1. WORDS AND PHRASES DEFINED

Chapter 2. Governmental Agencies, Persons, Owners, Etc., Defined

65. "Person." "Person" includes a natural person, firm, copartnership, association or corporation.

75. "Garage." "Garage" is a building or other place wherein the **business** of storing or safekeeping vehicles ... is conducted for **compensation**.

76. "Repair Shop." A "repair shop" is a place where vehicles, ... are repaired, ... for the public **at a charge**.

DIVISION 8. GARAGES, REPAIR SHOPS, SERVICE STATIONS AND PRIVATE BUILDINGS

Chapter 1. Liens on Vehicles

425. Labor and Material Liens on Vehicles

(a) Every person has a lien dependent upon possession for the compensation to which he is legally entitled for making repairs or performing labor upon, and furnishing supplies or materials for, and for the storage, repair, or safe-keeping of, any vehicle ...

A vast majority of the statutes in the Vehicle Code concerning a “person” refer to activities of a “natural person,” such as rules of the road, vehicle registration, etc. A natural person engaged in business activity for compensation becomes a business (a sole proprietor). The wording of “person” in the statutes is deliberate to account for the addition of new business entities, such as Limited Liability Companies (added in the 1995 Vehicle Code). Here is the current definition of a “person” in the Vehicle Code. It is the same as the definition in the 1935 Vehicle Code, with the addition of LLC:

470. “Person” includes a natural person, firm, copartnership, association, **limited liability company**, or corporation.

In **1949**, the statute was amended to include **trailer park rental liens**. (Note: Private building rentals were **excluded**)

1949, California Vehicle Code

425. Labor and Material Liens on Vehicles

(a) Every person has a lien dependent upon possession for the compensation to which he is legally entitled for making repairs or performing labor upon, and furnishing supplies or materials for, and for the storage, repair, or safe-keeping of, **and for the rental of trailer parking space for**, any vehicle ...

By **1957**, the Vehicle Code had expanded. Division 8, Chapter 1, was recodified into the California Civil Code in **1959**.

1957, California Vehicle Code

DIVISION 8. GARAGES, REPAIR SHOPS, SERVICE STATIONS, PARKING LOTS AND PRIVATE BUILDINGS

Chapter 1. Liens on Vehicles

425. Labor and Material Liens on Vehicles. (Note: This statute was recodified to **Civil Code 3068** in 1959)

(a) Every person has a lien dependent upon possession for the compensation to which **he** is legally entitled for making repairs or performing labor upon, and furnishing supplies or materials for, and for the storage, repair, or safe-keeping of, and for the rental of **trailer** parking space for, any vehicle ...

(Note: This statute in 1957 CVC is verbatim to the current version of **Civil Code 3068**, except for two important amendments: The word “**he**” has been amended to “**the person**” because “**he**” describes a natural person, and “**the person**” describes a **business** in the context of this statute. Also, the current statute has stricken the word “**trailer**” to allow Self-service storage facility liens (added in BPC 1981), in addition to trailer park rental liens)

428. Notice of Sale; Disposition of Proceeds. (Note: This statute was recodified to **Civil Code 3072** in 1959)

Vehicles of any value. Registered or Certified Mail. 20 day notice. Newspaper ad.

428.5. Sale of Certain Vehicles by Lienholder. (Note: This statute was recodified to **Civil Code 3073** in 1959)

Vehicle valued \$75.00 or less by officer or DMV. Registered or Certified Mail. 10 day notice.

Chapter 2. Conduct of Garages and Repair Shops and of Persons Renting Private Buildings

438. Records of Garage Keepers and Trailer Park Keepers.

441. Report of Renting a Private Building in Which a Vehicle is Stored.

Chapter 3. Parking Lots

(Note: Chapters 2 and 3 were not recodified to the Civil Code in 1959. **Private Building Rentals and Parking Lots may not conduct a lien sale**)

In 1980, CCC 3068.1 was added for the unique circumstances of towing impound yards.

Here is the current version of CCC 3068.1:

(a)(1) Every person has a lien dependent upon possession for the compensation to which the person is legally entitled for **towing, storage, or labor associated with recovery or load salvage** of any vehicle ...

Here is the current version of CCC 3068:

(a) Every person has a lien dependent upon possession for the compensation to which the person is legally entitled for making repairs or performing labor upon, and furnishing supplies or materials for, and for the storage, repair, or safekeeping of, and for the rental of parking space for, any vehicle ...

As previously stated, Self-service storage facilities were enacted in 1981 in BPC 21701. The qualifying word “**trailer**” was stricken from the statute to allow Self-service storage facility liens. BPC 21702.5 (b) directs vehicle liens to CCC 3068 and CCC 3071 (OVER \$4000). Self-service storage liens for personal property are advertised in the newspaper. Likewise, Self-service storage liens for vehicles are advertised in the newspaper as well.

The statute states that a Self-service storage facility does not include a garage or other storage area in a private residence, and a Self-service storage facility is not a warehouse. With the qualifying word “trailer” removed, trailer parks and Self-service storage facilities are eligible to file a lien. In addition, businesses that exclusively rent parking space for vehicles and vessels in a warehouse or fenced-in yard are also eligible to file a lien.

Vehicle lien sale laws in California trace their roots back to the 1911 Civil Code. The current version of the statutes began to take shape in the 1935 Vehicle Code. In 1959, vehicle lien sale laws returned to the Civil Code. All reference to automobiles in CCC 3051 has been stricken, and currently vehicle lien sales are processed under CCC 3067 to 3074.

“... and keepers of garages for automobiles, shall have a lien, dependent upon possession, for their compensation in caring for and safe keeping such automobiles.”

This original statute from 1911 in CCC 3051 speaks of a natural person caring for and storing a vehicle for compensation in a garage. A garage is defined as a building or other place, and is where business activity takes place. A natural person engaged in business activity for compensation becomes a business (**a sole proprietor**). In the definition of “Person” in CVC 470, a sole proprietor is associated with the word “firm.”

CVC 470

“Person” includes a natural person, firm, copartnership, association, limited liability company, or corporation.