

House Bill 5224  
Sponsor: Rep. Gary L. Randall  
Committee: Transportation

Complete to 4-10-92

**A SUMMARY OF HOUSE BILL 5224 AS INTRODUCED 10-7-91**

The Michigan Vehicle Code currently provides that if an insurance company determines that a late model vehicle--generally, one that is less than six years old--which the company insures becomes "distressed" (i.e., if it has been "totalled" by the company after being in an accident), the owner of the vehicle must assign the certificate of title to the company. The company then must acquire ownership of the vehicle through the payment of damages and apply for a salvage certificate of title from the secretary of state. The bill would amend the act to require the insuring company of such a distressed vehicle to permit the vehicle's owner, at his or her option, to either retain ownership of the vehicle after paying any necessary charges or to assign the title certificate over to the insurance company. If the vehicle's owner chose to keep the distressed vehicle, he or she would have to surrender the vehicle's certificate of title to the secretary of state and apply for a salvage title certificate before the vehicle could be transported.

MCL 257.217c

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