

**MICHIGAN VEHICLE CODE (EXCERPT)**  
**Act 300 of 1949**

**257.12a "Distressed vehicle" defined.**

Sec. 12a. "Distressed vehicle" means a vehicle that has a major component part that has been wrecked, destroyed, damaged, stolen, or missing to the extent that the total estimated cost of repairs to rebuild or reconstruct the vehicle, including parts and labor, is equal to or exceeds 75% of the actual cash value of the vehicle in its predamaged condition. The estimated costs of the repair parts shall be determined by using the current published retail cost of original manufacturer equipment parts or an estimate of the actual cost of the repair parts. The estimated labor costs shall be computed by using the hourly rate and time allocations which are reasonable and commonly assessed in the repair industry in the community where the repairs are performed. For the purpose of this section, "actual cash value" means the retail dollar value of a vehicle as determined by an objective vehicle evaluation using local market resources such as dealers or want ads or by an independent vehicle evaluation or appraisal service or by a current issue of a nationally recognized used vehicle guide for financial institution appraisal purposes in this state.

**History:** Add. 1978, Act 507, Eff. July 1, 1979;—Am. 1993, Act 300, Eff. July 1, 1994.