



Mini-Tort: An Exception to "No-Fault"

Michigan Department of Insurance and Financial Services Quick Facts

What Is "Mini-Tort?"

Under Michigan's auto insurance law, a driver can be personally sued only under certain circumstances. One such circumstance is limited property damage liability, also known as "mini-tort." Under mini-tort, a driver who is 50% or more at fault in an accident may be sued for up to \$3,000 in damages to cover the cost of the other driver's deductible. For example, if you have standard collision insurance with a \$100 deductible and are involved in an accident for which you are less than 50% at fault, you can sue the other driver to recover your deductible. On the other hand, if you are more than 50% at fault, you may be sued by another driver to recover their deductible.

Which Court Will Handle These Lawsuits?

A mini-tort lawsuit should begin in small claims court or a municipal court, but either party may have the case moved to a higher court. The party who asks for the case to be moved may be required to pay court costs if they do not win the case.

Does My Insurance Cover This New Liability?

Many insurers offer a coverage called "limited property damage liability," which will pay mini-tort costs on your behalf if you are found to be at fault in an accident. You are not required to carry this coverage under Michigan law, but you may purchase it as an optional coverage for an additional premium. Check with your agent to find out how your company handles this liability and what is available to you.

If you have a question about your insurance, ask your agent or company. If they cannot answer your question, contact the Department of Insurance and Financial Services (DIFS) at the address or telephone number below. DIFS is the state department that regulates insurance in Michigan.

About DIFS

The mission of the Michigan Department of Insurance and Financial Services is to ensure access to safe and secure insurance and financial services fundamental for the opportunity, security and success of Michigan residents, while fostering economic growth and sustainability in both industries. In addition, the Department provides consumer protection, outreach, and financial literacy and education services to Michigan citizens. For more information please contact DIFS at 833-ASK-DIFS or visit www.michigan.gov/DIFS