



Broad Coalition Opposes Bad Faith Legislation

Lansing, MICH (June 17, 2026) – Today, 44 Michigan stakeholders submitted a joint coalition letter to the Senate Finance, Insurance, and Consumer Protection Committee in opposition to [SB 245](#).

SB 245, otherwise known as “bad faith,” would unleash costly new litigation across the insurance industry. If adopted, Michiganders could see insurance rates skyrocket by [up to 21%](#), significantly driving up the cost to live and do business in the Great Lakes State.

The letter references multiple case studies across the country and political spectrum where policies similar to bad faith were adopted – and subsequently repealed – because of fast rising costs and fraudulent insurance claims.

“If bad faith is adopted, Michigan will see costly new lawsuit abuse that will ripple across our economy and crash into the pocketbooks of job providers and consumers,” **said Zach Rudat, Director of the Michigan Alliance for Legal Reform.** “We urge lawmakers to reject bad faith and any legislation that would open the floodgates to legal system abuse in Michigan.”

The Michigan Alliance for Legal Reform is a coalition of Michigan associations and employers dedicated to reining in lawsuit abuse and restoring balance and fairness in Michigan’s legal system. Learn more at MIAllianceForLegalReform.com.

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