

ACV Rules and Depreciation of Labor

State	Broad Evidence Rule	Fair Market Value	RC Minus Depreciation	Replacement Cost	No Decision	Depreciation of Labor
Alabama		X				Maybe – Depending on if and how ACV is defined (CL)
Alaska			X			
Arizona			X			No – If undefined in policy (CL)
Arkansas			X			Yes - Ark. Code Ann. § 23-88-106. provided certain pre-approved language is included in the insurance policy. (Previously No (CL))
California		X				No (SL) 10 C.C.R. § 2695.9(f)(1)
Colorado	X					Yes – Depending on if and how ACV is defined (CL)
Connecticut	X		X (Statute)			
Delaware		X				
Florida	X					Yes (CL)
Georgia		X				
Hawaii					X	
Idaho	X					
Illinois			X			No (IL Supreme Court in 2021 (CL))
Indiana	X					Yes (CL)
Iowa	X					
Kansas				X (Partial Losses)		Yes (CL) ; No for partial losses (CL)
Kentucky	X		X			Both sides, leaning to No (CL)

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Louisiana			X			Yes (CL 2022)
Maine		(Prior Rule)	X			
Maryland	X					
Massachusetts	X					
Michigan	X		X			
Minnesota	X					Case-by-Case but mostly Yes (CL) – Unless defined by policy
Mississippi				X		Likely No (CL); Yes if defined in the policy (DOI)
Missouri		X				No (CL) – Unless specific policy language
Montana	X					No (SL and DOI)
Nebraska		X				Yes (CL); but only if the ACV of the repaired property is greater than the ACV before loss
Nevada			X			
New Hampshire	X					
New Jersey	X					
New Mexico		X				
New York	X					
North Carolina	X					Yes (CL, 2020)
North Dakota		X				
Ohio	X (option)	X (option)	X (option)			No (CL)
Oklahoma	X					Yes (CL)
Oregon	X (option)	X (option)	X (option)			

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Pennsylvania			X			Yes, in general, but No for partial losses (CL). Depending on if and how ACV defined.
Rhode Island	X					
South Carolina	(Previous Rule)		X			Yes (CL)
South Dakota	X					
Tennessee	X		X			No (CL)
Texas		X				Both sides (CL)
Utah			X			
Vermont	X	(Option)		(Option)		No (DOI)
Virginia,	X					
Washington	Possible	X				No (SL 2022)
West Virginia					X	
Wisconsin	X		X (Possible)			
Wyoming					X	
DC					X	

Not every state has common law, statutory law or DOI reaction regarding depreciation of labor. Only those states that have addressed the issue are indicated above.

- CL = Common Law
- SL = Statutory Law
- DOI = Department of Insurance

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