

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 11-196—sHB 6238

Insurance and Real Estate Committee

AN ACT CONCERNING THE ACTUAL CASH VALUE OF A BUILDING

SUMMARY: The law provides the standard language for a fire insurance policy (e.g., homeowners' insurance). It defines the term "actual cash value" as the amount it would cost to repair or replace property with material of like kind and quality.

This act retains the existing definition for insured property, other than a building. It redefines "actual cash value" with respect to an insured building as the amount it would cost to repair or replace the building with material of like kind and quality, minus reasonable depreciation. It defines "depreciation" as a decrease in real property's value over time due to wear and tear.

EFFECTIVE DATE: January 1, 2012

OLR Tracking: JLK:KS:PF:ro