

Valued Policy States

Valued policy states require insurers to pay the face amount of the policy in the event of a total loss, even if the replacement cost is lower than the policy's face amount. Each valued policy state may apply the law differently. For example, some states may apply the statute only to fire losses; other states may require the insurer to refund premium for any additional coverage amounts over the replacement cost or the actual cash value of the building. Some states apply the law only to residential property; other states apply it to all property losses. Refer to your state's law for specifics.



State	Statute	Property Protected	Cause of Loss
Alabama			
Alaska			
Arizona			
Arkansas	23-88-101	All Real Property	Fire and natural disasters (excluding flood and quake)
California	2052, 53, 54, 55, 56, 58 and 75	Buildings	All perils covered by the property policy
Colorado			
Connecticut			
Delaware			
Florida	627.702	Any building (including mobile and manufactured homes)	All perils covered by the property policy
Georgia	33-32-5	1 or 2 family residential buildings	Fire
Hawaii			
Idaho			
Illinois			
Indiana			
Iowa			
Kansas	40-905	All improvements on real property	Fire, tornado, wind, lightning
Kentucky			
Louisiana	22:1318	Inanimate / immovable property	Fire
Maine			
Maryland			
Massachusetts	Chapter 175 Section 96	Applies a modified valued policy statute known as a premium refund law. The carrier is required to refund the premium for the amount of coverage in excess of the replacement cost. In MA, limited to fire losses.	
Michigan			
Minnesota	65A.08	All property	All perils covered by the policy
Mississippi	83-13-5	Buildings	Fire
Missouri	379.140; 145	All property	Fire
Montana	33-24-102 and 103	Improvements to Real Property	All perils covered by the property policy
Nebraska	44-501.02	Real Property	Fire, tornado, wind, lightning, explosion

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State	Statute	Property Protected	Cause of Loss
Nevada			
New Hampshire	407:11	Buildings	Fire and lightning
New Jersey			
New Mexico			
New York			
North Carolina	58-43-10	Applies a modified valued policy statute known as a premium refund law. The carrier is required to refund the premium for the amount of coverage in excess of the replacement cost	
North Dakota	26.1-39-05	Real property	All perils covered by the property policy
Ohio	3929.25	Any Building	Fire and lightning
Oklahoma			
Oregon			
Pennsylvania			
Rhode Island			
South Carolina	38-75-20	All real property	Fire
South Dakota	58-10-10	Real property	Fire, lightning, and tornado
Tennessee	56-7-801 to 803	Any building	Fire
Texas	862.053	All real property	Fire
Utah			
Vermont			
Virginia			
Washington			
West Virginia	33-17-9	Real property	All perils covered by the property policy
Wisconsin	632.05(2)	Owner-occupied dwellings	All perils covered by the property policy
Wyoming	26-23-103	Applies a modified valued policy statute known as a premium refund law. The carrier is required to refund the premium for the amount of coverage in excess of the replacement cost	

List as of February 16, 2018

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