AN ACT concerning insurance; relating to property and casualty insurers; exempting labor from depreciation in certain claims.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) The provisions of this section shall apply to any property and casualty insurance policy that is delivered, issued for delivery, amended or renewed on or after January 1, 2019.

(b) When the insurer is required to pay the expense of repairing, rebuilding or replacing the property damaged or destroyed with other of like kind and quality, the expense of labor necessary to repair, rebuild or replace the covered property is not a component of physical depreciation and shall not be subject to depreciation.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.