



Texas Department of Insurance

Consumer Protection – Mail Code 111-1A

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CONSUMER ALERT

Car Buyers Urged to Beware of Flood-damaged Vehicles

Each year, thousands of cars that have been damaged by accidents or floods are sold to unsuspecting consumers. Even if obvious cosmetic and mechanical problems – such as mildewed carpeting and upholstery or a broken alternator – are fixed prior to the sale, flood-damaged cars can pose significant safety risks and could require expensive repairs later. Flooding can permanently damage a car's electrical system and sensitive electronics that manage the engine's operation or control air bags, anti-lock brakes, and other safety components. This type of damage might not be evident until months after the flooding occurred. Taking a few precautions can help reduce your chances of unknowingly buying a damaged car.

- Check the vehicle's title. The title should reflect whether the vehicle has sustained flood damage or has been salvaged. However, sellers can sometimes conceal damage by moving a vehicle and its title to other states, a practice known as "title washing." There are several ways to check a vehicle's title:
 - Search the Texas Department of Transportation's (TxDOT) free database of vehicles with Texas titles noting flood damage. You may search by year and make or by specific Vehicle Identification Number (VIN). You can also order a TxDOT vehicle title history for a fee. Visit the TxDOT website at www.txdot.gov.
 - Search the National Insurance Crime Bureau's free VINCheck database at www.nicb.org. The database contains information about some flooded vehicles and watercraft.
 - View a detailed title history and damage report from a national database such as www.carfax.com, www.autocheck.com, or <http://consumerguideauto.howstuffworks.com/>. There may be a fee to view these reports.
- Inspect the vehicle for mud, residue, or stain marks under the dashboard and carpeting, musty odors inside the car or in the trunk, and mud or grit in engine components or interior crevices. Check the undercarriage for signs of rust or metal flaking. A high-water mark on the engine block or rusted wires or other metal parts can also be indicators that the car was once flooded.
- Buy a certified used car or truck – one warranted by the automaker, not just an individual car dealer. Automakers exclude flood-damaged cars from their certified-car programs.

- Thoroughly test drive a used vehicle and have it inspected at an auto-body shop and a repair shop you trust.
- Be particularly careful buying cars online through auction sites and from individuals or used car lots.
- Keep in mind that new cars could also be flood-damaged.

If you believe you were fraudulently sold a flood-damaged vehicle, call the Office of the Texas Attorney General at 1-800-621-0508 or visit its website at www.oag.state.tx.us to file a complaint. You may also file a complaint with your local Better Business Bureau at <http://www.bbb.org>.

For More Information or Assistance

If you have questions about insurance, call the Texas Department of Insurance (TDI) Consumer Help Line or visit the TDI website

1-800-252-3439
463-6515 in Austin
www.tdi.state.tx.us