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CONSUMER ALERT

ATTORNEY GENERAL KWAME RAOUL WARNS USED-CAR BUYERS TO WATCH FOR CARS DAMAGED BY HURRICANE IAN FLOODING TO BE SOLD IN ILLINOIS

Chicago — In the wake of major flooding caused by Hurricane Ian, Attorney General Kwame Raoul today warned Illinois consumers to be on the lookout for flood-damaged vehicles that soon may be entering the used car market, which is facing shortages nationwide.

Preliminary industry estimates indicate that Hurricane Ian has flooded thousands of vehicles in the Southeastern United States, especially in Florida and South Carolina. That damage includes new and used vehicles on dealership lots, as well as cars and trucks owned by individuals and companies.

"Potentially thousands of vehicles have been damaged by the flooding caused by Hurricane Ian, and those vehicles could start appearing for sale across our state. Flooded cars are often shipped to places hundreds of miles from areas hit by storms and may be dangerous to drive or pose health risks," Raoul said. "The current tight market for used cars can make buyers more likely to rush into a sale, but I urge consumers to investigate the condition of any vehicles they are considering purchasing."

Raoul said while most automobile dealers are legitimate, there are some unscrupulous businesses and individuals who may try to sell flood-damaged cars without revealing a vehicle's true history. Scam artists may be further motivated to try to sell flood-damaged cars due to the existing shortage of new and used vehicles for sale. Those scam artists put flooded vehicles through a cleaning process that can make it difficult to tell initially that the car has been damaged by water.

Another tactic used to sell water-damaged vehicles is the practice of "title washing." A title should reflect whether a vehicle has sustained flood damage or has been salvaged. Unfortunately, scam artists return flooded vehicles to the market by "washing" their titles, which conceals a flood or salvage vehicle's history of damage by moving the vehicle and title through several states.

A title brand is a designation or label placed on a vehicle's title by a state agency to let buyers know that the car has experienced an incident or damage that may have compromised it at some point. As a result of washing a title, scam artists or unscrupulous dealers obtain a new title that makes the car look clean.

Raoul recommends consumers exercise caution in the months to come, especially when purchasing cars through online auction sites, from individuals or second-tier used car lots. To decrease the chances of buying a flood-damaged car, Raoul encourages buyers to consider the following tips:

- Before you buy any used car, have it inspected by a mechanic you trust.
- Buy only from reputable dealers or individuals, and be sure to get a written title guarantee from the seller.
- Ask the seller whether the car has been damaged by water or anything else, and have them put the answer in writing.
- Check for damp or musty odors inside the vehicle and in the trunk.
- Check for signs of rust and mud in the trunk, glove box and beneath the seats and dashboard. Look for rusty brackets under the seats or on the carpet. Also look for discolored upholstery or carpet that fits poorly or does not match exactly.
- Make sure that all gauges are in working condition.

- Check under the hood. Look for a water line that was marked by mud or silt.
- Test everything: the lights, windshield wipers, turn signals, cigarette lighter and radio.
- Check the heater and air conditioner several times. Look in the vents for signs of water or mud.
- Check for signs of water or silt in the gas compartment, as well as in the vehicle's fuse box.
- Ask to see the title of the car. Check the date and place of transfer to see if the vehicle might have come from a state that recently experienced flooding. Keep in mind that the title will only indicate flood damage if the insurance company officially declared the car to have been totaled.
- Request a vehicle history report from the dealer. A vehicle history report may reveal that a vehicle's title has been branded as salvaged or flooded. If a dealer does not have access to a title history report or refuses to provide a title history report, consumers should obtain this information on their own before purchasing the vehicle. Buyers can use an automobile's Vehicle Identification Number (VIN) to obtain a vehicle history report for a nominal fee from sources such as National Motor Vehicle Title Information System, www.vehiclehistory.gov; Carfax, www.carfax.com; or Auto Check www.autocheck.com.

For more information, Attorney General Raoul encourages people to visit the <u>Attorney General website</u> or call the office's Consumer Fraud Hotlines:

Chicago: 1-800-386-5438 and 1-800-964-3013 (TTY) **Springfield:** 1-800-243-0618 and 1-877-844-5461 (TTY) **Carbondale:** 1-800-243-0607 and 1-877-675-9339 (TTY)

Spanish-language hotline: 1-866-310-8398