



Flood Titles – UPDATED -- Important Notice from Secretary of State - Hurricanes Florence and Michael

Hurricane Florence and Hurricane Michael have made vehicles in North Carolina, South Carolina, Florida, Georgia, and Virginia subject to the Secretary of State's flood damage screening protocol. However, effective immediately, the Secretary of State's Office has instituted a pilot program creating a new option for franchised motor vehicle dealers and rental fleet owners who are unable to obtain a signed natural disaster disclosure statement.

The Secretary of State's Vehicle Services Department will screen title applications from vehicles that were registered in regions of North Carolina, South Carolina, Florida, Georgia, and Virginia that were declared disaster areas because of flooding and storm damage from Hurricanes Florence and Michael. Illinois title applications submitted between now and September 8, 2019 for vehicles registered in areas affected by Hurricane Florence and submitted between now and October 9, 2019 for vehicles affected by Hurricane Michael will receive a flood title designation unless the title application is accompanied by a Natural Disaster Disclosure Statement signed by the previous owner declaring that the vehicle was not in a natural disaster area or was not damaged or by an Affidavit in Lieu of Natural Disaster Disclosure Statement completed by the dealer or rental owner.

A Natural Disaster Disclosure Statement signed by the prior owner remains the better option because the prior owner remains responsible for fraud and mistake related to flood damage. A franchised dealer or a rental owner who is unable to obtain a signed Natural Disaster Disclosure Statement may inspect the vehicle and submit an Affidavit in Lieu of Natural Disaster Disclosure Statement in which the dealer or rental owner affirms that the vehicle has not incurred flood damage. If the vehicle is later proven to have incurred flood damage as a result of Hurricane Florence, the selling dealer or rental owner will be liable to the buyer for flood damage from Hurricane Florence.

For vehicles on a North Carolina, South Carolina, Florida, Georgia, or Virginia title, IADA recommends that you adopt the following approach:

- Check the National Insurance Crime Bureau's (NICB) database of known flood damaged vehicles. If a vehicle appears on the NICB list as a flood damaged vehicle, it will receive a flood branded title. The NICB database can be found [here](#).
- If the vehicle is not on the NICB list, but was registered in North Carolina, South Carolina, Florida, Georgia, or Virginia, determine whether the vehicle was located in an area that was declared a federal natural disaster because of Hurricane Florence or Hurricane Michael. The list of zip codes affected by Hurricane Florence and Hurricane Michael can be found [here](#).
- If the vehicle was registered in a zip code that was declared a natural disaster area because of Hurricane Florence or Hurricane Matthew, try to obtain a Natural Disaster Disclosure Statement signed by the owner declaring that the vehicle was not located in a natural disaster area or was not damaged. The Secretary of State's Natural Disaster Disclosure Statement can be found [here](#).
- If you are unable to obtain a signed Natural Disaster Disclosure Statement, you can elect to thoroughly inspect the vehicle for flood damage and sign an Affidavit in Lieu of Natural Disaster Disclosure Statement or accept a flood brand. The Secretary of State's Affidavit in Lieu of Natural Disaster Disclosure Statement can be found [here](#).

If you have any questions about this article, please contact IADA at (217) 753-0220 or ldoll@illinoisdealers.com.