



## MISSISSIPPI INSURANCE DEPARTMENT

501 N. WEST STREET, SUITE 1001  
WOOLFOLK BUILDING  
JACKSON, MISSISSIPPI 39201  
www.mid.state.ms.us

MAILING ADDRESS  
Post Office Box 79  
Jackson, Mississippi 39205-0079  
TELEPHONE: (601) 359-3569  
FAX: (601) 359-2474

**MIKE CHANEY**  
Commissioner of Insurance  
State Fire Marshal

**MARK HAIRE**  
Deputy Commissioner of Insurance

**BULLETIN 2013-2**  
**March 22, 2013**

### **HAIL DAMAGE TO AUTOMOBILES**

On March 18, 2013, severe hailstorms caused damage in Vicksburg, Clinton, Jackson, Madison, Brandon and the surrounding areas, resulting in significant damage to homes and automobiles. This damage has resulted in an unusually large number of automobile claims being filed with insurance companies. The Mississippi Insurance Department ("MID") is issuing this Bulletin to provide insurance companies with information regarding the handling of these hailstorm automobile claims.

#### **I. Totaled vehicles**

Due to the amount of damage to some vehicles, especially older models, the insurance company may determine that the vehicle is a total loss and decide to total the vehicle. The policyholder may wish to repurchase the vehicle from the insurance company. As the vehicle has been totaled, the policyholder would receive a salvage title.

The Mississippi Department of Revenue ("DOR") administers salvage titles. DOR has established new procedures regarding vehicles that are totaled due to hail damage. The title for those vehicles will be stamped "HAIL" thereby indicating that while the vehicle was totaled, it was due to hail damage and not due to mechanical or auto body damage or defect.

DOR has established a checklist for insurance companies to use that will allow DOR to issue a "HAIL" salvage title. A copy of the checklist is attached hereto as Exhibit "A", and MID directs insurance companies to use it when dealing with automobiles that are totaled due to hail damage.

#### **II. Certificate of Clear Title**

If a policyholder has repurchased their totaled vehicle, they may wish to restore the vehicle to its operating condition which existed prior to the event which caused the salvage certificate of title to be issued. To apply for a clear title on a vehicle with a salvage title, policyholders are advised to follow the procedures set forth in Miss. Code Ann. § 63-21-15(5) and § 63-21-39. DOR has prepared a checklist for policyholders to assist them with this process; that checklist is attached hereto as Exhibit "B". Policyholders may wish to contact the DOR directly to obtain further information on the process to apply for a clear title.

### III. Steering

With the high number of automobile claims as a result of the hailstorms, many insurance companies are conducting their inspections at local auto body repair shops. The use of a particular auto body repair shop by an insurer should not result in steering by the insurer to a preferred auto body repair shop.

Pursuant to Miss. Code Ann. § 83-11-501, a policyholder may determine which auto repair shop they wish to use. Insurance companies are directed to ensure that their adjusters clearly advise the policyholder that should an inspection be performed at a particular auto repair shop, the policyholder is not obligated to have the vehicle repaired there, but instead the policyholder may have the vehicle repaired at the auto body repair shop of their choice.

If there are any question concerning this Bulletin, please contact MID representatives at (601) 359-3569.



MIKE CHANEY  
COMMISSIONER OF INSURANCE



March 20, 2013

From: Lisa Chism, Bureau Director  
MS Department of Revenue  
Title Bureau

RE: Procedure for Insurance Companies to receive "Hail Damage" Titles

In order for an insurance company to receive a "Hail Damaged" title from the MS Department of Revenue – Title Bureau, they need to submit the following:

1. Statement requesting a Hail Damaged title on Insurance Company Letterhead;
2. Title application (Form 78-002) with "Hail" box selected;
3. The current customer's title assigned over to the insurance company;
4. Remittance Advice (Form 78-900); and
5. Fee of \$9 per title application

To insure proper handling and for data collection purposes, please send these title applications to the following address:

MS Dept of Revenue-Titles  
Attn: Lisa Chism, Bureau Director  
PO Box 22828  
Jackson, MS 39225

This will allow us to get these handled in the most efficient manner possible (similar to the manner in which Katrina cars were handled).

If you have any questions, feel free to contact the Title Bureau at 601.923.7643.

Exhibit "A"



March 20, 2013

From: Lisa Chism, Bureau Director  
MS Department of Revenue  
Title Bureau

RE: Procedure for Consumers (Buyers) with "Hail Damage" Titles

**Steps for a Non-Repaired Vehicle (Consumer will not repair the hail damaged vehicle):**

1. The insurance company will receive a "Hail" branded title in their name, they must assign the title over to the consumer (buyer);
2. The consumer (buyer) must apply for a new title with the following documents:
  - a. Four (4) photos of the vehicle prior to any repairs; and
  - b. Form 78-021 (Application for Inspection of a Salvage Vehicle/Rebuilt, and procedure), this form can be found at the following link on our website:  
[http://www.dor.ms.gov/docs/title\\_78021\\_2012.pdf](http://www.dor.ms.gov/docs/title_78021_2012.pdf);
3. No inspection is required when the vehicle will not be repaired for the hail damage
4. The consumer (buyer) must take the items listed under #2 to the county tax collector's office to apply for a hail branded title in their name.

**Steps for a Repaired Vehicle (Consumer will repair the hail damaged vehicle to receive a clear title):**

1. The insurance company will receive a "Hail" branded title in their name, they must assign the title over to the consumer (buyer);
2. The consumer (buyer) must take four (4) photos of the vehicle prior to any repairs.
3. Once the vehicle is repaired, they must take the following documents to the MS Department of Public Safety to have the vehicle inspected.
4. The consumer (buyer) must take the following documents to the MS Department of Public Safety for the inspection:
  - a. Four (4) photos of the vehicle prior to any repairs; and
  - b. Form 78-021 (Application for Inspection of a Salvage Vehicle/Rebuilt and procedure), this form can be found at the following link on our website:  
[http://www.dor.ms.gov/docs/title\\_78021\\_2012.pdf](http://www.dor.ms.gov/docs/title_78021_2012.pdf)
5. MS Department of Public Safety will complete the Form 78-022 (Completion of Vehicle Inspection) to determine if the vehicle should remain a "Hail" branded title or to remove the brand for a clear title.
6. After the inspection is complete, the consumer (buyer) must take the following to their local county tax collector's office to apply for a title:
  - a. Four (4) photos prior to any repairs,
  - b. Form 78-021 (Application for Inspection of a Salvage Vehicle/Rebuilt and procedure); and
  - c. Form 78-022 (Completion of Vehicle Inspection)

If you have any questions, feel free to contact the Title Bureau at 601.923.7643.

Exhibit "B"