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STATE OF HAWAII RECEIVES \$2.5 MILLION PAYMENT FROM VOLKSWAGEN

Direct payment to State of Hawaii is in addition to restitution to individual diesel VW owners and other large penalties for emissions fraud

HONOLULU – Attorney General Doug Chin and Office of Consumer Protection Executive Director Stephen Levins today announced that the State of Hawaii has received a **\$2.5 million** direct payment from Volkswagen. The payment is part of a multistate settlement involving claims that the car manufacturer violated state consumer protection laws prohibiting unfair or deceptive trade practices by marketing, selling, and leasing diesel vehicles equipped with illegal and undisclosed defeat device software.

2.0 liter diesel engine settlements

On June 28, 2016, 43 states and jurisdictions announced a coordinated settlement to resolve state claims against Volkswagen AG, Audi AG, Volkswagen Group of America, Inc., Porsche AG, and Porsche Cars, North America, Inc. – collectively referred to as Volkswagen. This partial settlement covered vehicles equipped with 2.0-liter diesel engines, including the VW Jetta model years 2009-2015, VW Golf model years 2010-2015, and VW Passat model years 2012-2015, among others.

As part of the settlement, Volkswagen agreed to pay directly to the states more than \$1,000 per eligible vehicle or more than \$570 million nationwide. Of this amount, Hawaii received an enhanced allocation of more than \$2,744 per eligible vehicle registered in Hawaii, for a total of \$2.5 million.

In October 2016, Volkswagen settled a separate lawsuit for federal claims brought by the United States and the Federal Trade Commission involving the same Volkswagen and Audi vehicles equipped with 2.0-liter diesel engines. As part of this settlement, Volkswagen agreed to: (1) provide cash payments to affected individual consumers; (2) buy back or modify certain Volkswagen and Audi 2.0-liter diesel vehicles; (3) pay \$20 million to the states to establish a fund that state attorneys general can utilize for future training and initiatives; and (4) invest \$2 billion over the next 10 years for the development of non-polluting cars, or Zero Emission Vehicles, and supporting infrastructure. In addition, Volkswagen must pay \$2.7 billion into the Environmental

Mitigation Trust to support environmental programs to reduce emissions of harmful oxides of nitrogen, of which Hawaii's proportionate share was **\$7.5 million**.

3.0 liter diesel engine settlements

On May 17, 2017, a federal district court approved additional settlement agreements resolving consumer claims and claims brought by the United States and the FTC involving certain Volkswagen, Audi, and Porsche vehicles equipped with 3.0-liter diesel engines. Vehicles covered by these settlement agreements include the VW Touareg model years 2009 – 2016, Audi Q7 model years 2009 – 2015, and Porsche Cayenne Diesel model years 2013 – 2016, among others. Under the terms of these settlement agreements, Volkswagen agreed to: (1) provide cash payments to affected individual consumers; (2) buy back or modify Generation One Volkswagen 3.0-liter vehicles; (3) provide an approved emissions modification for Generation Two Volkswagen 3.0-liter vehicles; and (4) pay an additional \$225 million into the Environmental Mitigation Trust.

As a result of the latest agreement between the United States and Volkswagen, Hawaii's allocation under the Environmental Mitigation Trust increased from \$7.5 million to \$8.125 million, which Hawaii may request to support eligible mitigation projects in the state.

Full details of the settlements, including information for affected consumers, are available online at www.VWCourtSettlement.com and www.ftc.gov/VWSettlement.

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