

# Maryland reaches \$33.5 million settlement with Volkswagen

April 26 2018, by Courtney Columbus

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Maryland officials announced Wednesday that they had reached a multimillion-dollar settlement with Volkswagen AG and two of its affiliates for using devices in cars that violated the state's environmental laws.

The "defeat devices" installed in vehicles enabled them to pass emissions tests. But under actual driving conditions, vehicles with the devices installed emitted up to 40 times the allowable limit of nitrogen oxide. These devices had been installed in vehicles from model years 2009 to 2015, according to the lawsuit.

Under the agreement, the auto manufacturers will pay a \$29.5 million penalty—the most ever awarded under the state's environmental laws, according to state officials.

The automakers also agreed to choose a Maryland-based port facility to provide support valued at \$4.5 million to Volkswagen Group of America Inc.'s U.S. East Coast operations. If the auto manufacturers don't meet that part of the agreement, they'll have to pay an additional \$4.5 million.

"Either way, it's going to be benefiting Maryland's environment and economy," Maryland Secretary of the Environment Ben Grumbles said.

Volkswagen, Audi and Porsche also agreed to introduce three additional battery electric [vehicle](#) models in the state.

The Department of the Environment filed the lawsuit against the [auto manufacturers](#) in July 2016. Volkswagen has faced numerous other lawsuits related to the defeat devices.

"The agreement with Maryland is an important step forward for Volkswagen in resolving legacy exposure to state and local environmental claims related to the diesel matter in the United States. Following a recent federal court ruling, we consider the few remaining environmental claims pending in state courts to be pre-empted by federal law," Volkswagen spokeswoman Jeannine Ginivan said in a statement.

The settlement is "adding a silver lining to an otherwise black cloud," Grumbles said.

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Citation: Maryland reaches \$33.5 million settlement with Volkswagen (2018, April 26) retrieved 24 June 2024 from <https://phys.org/news/2018-04-maryland-million-settlement-volkswagen.html>

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