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Seeing New Honda Acuras on the Road With Gov't License Plates? They Are From a Settlement, Property and Procurement Says

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Brand new Honda vehicles parked at Property and Procurement on St. Croix. P&P said the vehicles are part of a 2018 settlement with the V.I. Dept. of Justice and Takata Corporation and its U.S. subsidiary, TK Holdings, Inc.

Virgin Islanders have been spotting brand new Honda vehicles — including a number of Acuras — throughout the territory with government license plates. This has startled many, as those vehicles are more costly, not American and cost more to maintain. The government traditionally buys American-made Chevrolet or Ford vehicles.

Dept. of Property and Procurement Commissioner, Anthony Thomas, sought to put the rumors of government waste to rest by providing some details. He told the Consortium Monday that the vehicles are part of [a settlement](#) between the government of the Virgin Islands and the Takata Corporation and its U.S. subsidiary, TK Holdings, Inc., over the Virgin Islands' claims that Takata engaged in unlawful practices in connection with the manufacturing, marketing and sale of its dangerous airbags installed in vehicles sold to Virgin Islands consumers. The suit was brought against the companies during the tenure of former Attorney General Claude Walker and resulted in roughly 2,500 Virgin Islanders receiving checks of \$200.

Mr. Thomas said the settlement mandates that the government receive only Honda-made vehicles. "It was a financial settlement wherein they settled it by the use of cars, and their cars were Hondas," Mr. Thomas said. "The Dept. of Justice was the one that was engaged in the suit."

He said fifteen vehicles were already in the territory, but the entire fleet will include 50 Hondas. "Right now there's 15 and we're attempting to get electric vehicles out of the deal," Mr. Thomas said. He said P&P has been looking at departments and agencies that have been in need of new vehicles and that those government arms would receive first preference. Among the gov't branches with the Hondas are the Dept. of Licensing and Consumer Affairs, the Dept. of Justice and the Bureau of Motor Vehicles, said the P&P commissioner.

Relative to the Honda vehicles being more costly to maintain, Mr. Thomas said, "The GVI has a standardization strategy which bought the same type of cars. Any deviation will result in price increases eventually. Usually a new car requires minimal cost to maintain for three years."

Asked why would a settlement mandate that the injured party only purchase vehicles from Honda, which was one of the main brands with the faulty airbags, Mr. Thomas said, "I cannot answer the second question."

In May 2018, the V.I. Dept. of Justice said Takata, which filed for bankruptcy in 2017, agreed to pay the Virgin Islands, along with two other jurisdictions – the states of Hawaii and New Mexico – approximately \$7 million, which represented the largest payment to any group of states related to the dangerous Takata airbags. The Virgin Islands' share of the settlement was approximately \$1.5 million. About \$500,000 of the settlement proceeds was used by Mr. Walker to compensate up to 2,500 Virgin Islands consumers who owned older vehicles containing Takata airbags with the sum of \$200 each.

The Dept. of Justice said at the time the remaining \$1 million would be sent to the V.I. Department of Finance to be used as sees fit by the Mapp administration. There was no mention of the funds being used to purchase vehicles, far less solely Honda-made brands.

Following the settlement, USVI residents whose vehicles had the defective airbags started receiving \$200 checks [in June 2018](#). At the time, Mr. Walker said, "We will continue to pursue the car manufacturers – Honda, Ford, Nissan and Toyota – which we allege also played a major role in deceiving Virgin Islands drivers and their families about the safety risks posed by the airbags in the cars they sold. I cannot emphasize enough that the longer that some of these vehicles stay on the road, the more dangerous they become."