

Frequently Asked Questions: NJ ZIP Phase 2

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I'm a purchaser, how long will the application be open for?

The application portal will open on April 18th at 10am ET. Once open, there is not a deadline for applying; the portal will remain open until all the voucher funds are reserved, on a first come, first served basis, with set asides by location, business type, and use case. If additional funds become available, the program may reopen or remain open.

Is there an application fee?

Yes. Buyers will pay a \$1000 application fee upon submission of their application, via either credit card or check. Application review will only begin after payment is confirmed as received.

Do I need to pay the application fee?

If the fee creates an undue financial hardship on your business, you may apply for a fee waiver which, if approved by NJEDA, would reduce your fee by half (\$500). Undue financial hardship is defined for this program as follows:

- For a for-profit business, if the fee is greater than 0.1% of adjusted gross income reported on your business' most recent federal tax return (i.e., adjusted gross income of \$1,000,000 or less)
- For a non-profit business, if fee is greater than 0.1% of the annual operating budget, defined in the entity's most recent federal filing (Form 990) as Total Expenses (Box 18) (i.e., annual operating budget of \$1,000,000 or less)

Is my organization eligible?

Given the organization is purchasing a new, zero-emission medium-duty vehicle and will operate and register the vehicle in compliance with the voucher terms and within the pilot communities,

- Any New Jersey registered commercial or industrial business in good standing with the State is eligible
- Any New Jersey institution in good standing with the State is eligible. As defined in the Global Warming Solutions Fund regulation (N.J.A.C. 7:27D-1.2), "institutional" means serving a non-profit or public purpose, such as a library, hospital, public school, institution of higher education, municipal utility, public recreation or cultural facility, or government entity. The term "government entity" includes local and municipal government entities, but for the purposes of this pilot, State government entities, such as NJ Transit or The Port Authority, are not eligible.
- We will also clarify a "municipality is defined as the municipal government or instrumentality of the municipal government, e.g., the municipal school district"

For the purposes of this program, public institutions of higher education are not deemed State government entities.

What vehicle types are eligible?

All vehicle types - trucks, buses/passenger transport, specialty vehicles (e.g., garbage trucks, ambulances) - are eligible for this program, given they fall within the Class 2b - Class 8 categories

(8,501 lbs - 33,000+ lbs, GVWR), and are registered and used in compliance with program agreements.

Are there any additional bonuses available for my community?

NJ ZIP is open to applicants statewide. The program offers additional bonus funding for applicants who commit to driving a designated overburden community, defined by the NJ DEP.

The Statewide Overburdened Communities Map is located here: [NJDEP | Environmental Justice](#)

Can I buy a vehicle for personal use under NJ ZIP?

No, NJ ZIP is only open to businesses and institutions in New Jersey for commercial, industrial, or institutional uses.

Does this voucher cover the costs of charging infrastructure, shipping, taxes, or fees?

No. NJ ZIP vouchers are capped at 100% of the vehicle cost (not including chargers, shipping, taxes, or fees).

Do vouchers expire? How long do I have after voucher approval to get my vehicle?

Vouchers expire twelve months after voucher approval, at which point reserved funds will be returned back to the voucher pool. A voucher may be renewed for up to one six-month extension if requested prior to expiration and will be granted on a case-by-case review.

If your voucher is approaching its expiration date and you are continuing in the program, Vendors should provide the following information on a per-Purchaser basis:

- proof of purchase that indicates date of purchase (e.g., an executed PO)
- documentation of anticipated delivery date range (e.g., shipment information)
- explanation of need for extension or second extension (e.g., source of supply chain delay)

This information should be sent to njzip@njeda.com within the month prior to expiration with the subject line "Voucher Extension Request – [Purchaser company] [PROD-xxxxxxx]". Both the Vendor and the Purchaser must be included as email recipients. Signature will be required on extension approvals

If I want to apply for a voucher for more than one vehicle, do I have to fill out a separate application for each vehicle?

No. An applicant may apply for multiple vehicles within the same application. Please note that if multiple applications are submitted, each requires an application fee to be paid.

What is the maximum voucher amount I can receive?

Vouchers are calculated based on the voucher amounts set by vehicle class, with bonuses in addition, as eligible.

On a single voucher, the amount is capped at 100% of the vehicle cost (not including chargers, shipping, taxes, or fees).

On a per-applicant basis (utilizing EIN), the amount is capped at \$3M total.

Can I get funding from other sources for the same vehicle?

In order to prevent duplication of benefits, the same vehicle may not be subject to other funding sources with the same purpose. This includes, but is not limited to, other State or Federal grant-style programs, such as the NJ DEP's Volkswagen Settlement funds or the US EPA's

Clean School Bus Rebate Program, which have the same purpose and cover most if not all of the cost of the vehicle.

Federal tax credits and State sales tax exemptions are not considered duplication of benefits, as their purpose is not designed to reduce upfront cost and because they do not cover the total cost of the vehicle. As such, they may be stacked with NJ ZIP vouchers, given the total award is less than 100% of the cost associated with purchasing an electric vehicle.

Chargers and related infrastructure are not eligible for NJ ZIP voucher funding and therefore may be covered by utility, State, Federal, or other grant funding.

Can I make changes to my application after I submit it?

As a first come, first serve program, applicants are encouraged to submit applications that are complete and accurate when submitted, as a complete and accurate applications are necessary for review. However, NJEDA recognizes that there may be situations in which the application may need to be updated. Applicants' changes that do not impact eligibility, that increase voucher amount by 25% or less, or that decrease requested voucher amount are permitted, given proof of the accuracy of such changes is provided as acceptable to NJEDA. However, any requested change that results in an increase of the initially requested voucher amount by more than 25% will require submission as a new, separate application. This new, separate application will be reviewed in the order received and must be submitted with an additional application fee.

Is my organization eligible for bonuses?

For buyers, small businesses (less than 25 full time employees or less than \$5M annual revenue) and woman-, minority-, or veteran owned businesses are eligible for bonuses.

Bonuses are also available for school bus purchasers.

Bonuses are also available for small business applicants who commit to drive 50% or more vehicle miles in NJ overburdened community for 3+ years.

What is a 'small business'?

Small business is defined by this program as a business with 25 or fewer full-time employees OR \$5M or less annual revenue.

How can I learn more about being a woman-, minority-, or veteran-owned business?

Please visit <https://business.nj.gov/pages/mwbe> to learn more. NJ Certified woman-, minority-, or veteran-owned businesses are eligible for increased voucher amounts.

How can I download my tax clearance certificate?

https://www16.state.nj.us/NJ_PREMIER_EBIZ/jsp/home.jsp

How can I register to do business in NJ?

<https://business.nj.gov/pages/register-your-business>

How can I create a login?

<https://njeda.powerappsportals.us/en-US/Account/Login/Register?returnUrl=%2F>

How can I access the application?

You can access the application through the link on the NJ ZIP homepage, using the “Apply Here” button. Please, www.njeda.com/njzip

Who can submit applications?

A buyer may input whatever contact is most appropriate - either within their own organization, or within a third-party organization that is managing their application, if desired by the applicant.

However, the legal debarment questionnaire, application, and final agreement must be signed by an authorized buyer signatory.

- For a corporation, by a principal executive officer, at least the level of VP;
- For a partnership, by a general partner;
- For a sole proprietorship, by the proprietor;
- For a gov't entity, by contact person (administrator, manager, mayor, etc.);
- For other than above, the person with legal responsibility for the application

What is a 'new' vehicle?

A new vehicle is defined as a vehicle which has never been sold, titled, or registered to a buyer. New vehicles may have mileage on them due to test drives and/or delivery mileage. Vehicle repowers and retrofits are not eligible for this program.

Does my vehicle need to be registered to be eligible for this program?

Yes, to be an eligible vehicle, the medium or heavy-duty zero-emission vehicle (truck, bus, specialty vehicle, off-road, or otherwise) must be registered after voucher approval in New Jersey with the Motor Vehicle Commission to receive voucher funding.

I want to lease or rent out a zero-emission vehicle. Am I eligible?

The original purchaser/owner of the vehicle is eligible for the voucher funds, and is the responsible party for compliance terms. As with all applications, a plan by the buyer to demonstrate operation in compliance with voucher terms (in this case, operation by the lessee/renter) will be required to be submitted with the application, and proof of lessee/renter vehicle operation in compliance with voucher terms will be required during audits.

I want to take out a loan / get financing for the remainder of the vehicle cost. Is this allowed?

Yes, loans / financing on the remainder of the vehicle cost not covered by the voucher is allowed. Institutions providing financing by utilize the vehicle as collateral for the loan by putting a lien on the vehicle. A financier placing a lien on the vehicle does not constitutes a sale, assignment, or transfer of the purchaser's interests in the Agreement as contemplated in the Agreement. As such, EDA would not have to provide consent.

What is scrappage and am I required to do it?

Vehicle scrappage is not mandated by this program EXCEPT in the case that the new vehicle is replacing a vehicle model year 2009 or earlier. Vehicles that are not replacements (i.e., ZEV purchased are for new use cases or to expand a fleet) or are replacing a model year 2010 or later DO NOT have to comply with scrappage requirements.

For consistency with prior State programs, scrappage is defined within the DEP's VW Settlement funded grant program as “rendering the vehicle inoperable and available for recycle; at a minimum, to cut a 3-inch hole in the engine block and disable the chassis by cutting the vehicle's frame rails complete in half”. Photographs will be required to demonstrate compliance with these requirements prior to voucher redemption.

NJEDA does not have any required or authorized locations for scrappage.

Is Buy America a requirement for this program?

No.

Are emission reductions from this program being tracked?

Yes. NJEDA will require reporting on the vehicles being replaced, as applicable, to calculate emissions reductions, in partnership with NJ DEP and to report to RGGI.

If my vendor is based outside of NJ, and has no NJ presence, can I still purchase a vehicle from them?

If a vehicle is being sold physically within the state of NJ, the vehicle must be sold through a New Jersey licensed dealership - that dealership would be your vehicle vendor.

If a vehicle is being sold directly from a manufacturer who has no physical presence for sales within the state or a dealer who has no physical presence for sales within the state, they are not required to be licensed in New Jersey as a dealership. However, all vendors are required to register to do business in NJ, and will be required to provide plans for in-state maintenance as part of the relevant voucher terms. Further, all vendors must be approved to participate as vendors in the program.

What does '12 months of experience' mean, as a vendor?

The manufacturer or seller must have twelve months of experience selling or manufacturing zero emission vehicles. This experience can be demonstrated by the Vendor through documentation such as: sales records, manufacturing records, business registration or company foundation documents, cached web history indicating eligible vehicles for sale or in development, public press releases, and/or relevant dealership agreements.

It is recognized that dealerships may have only recently begun selling zero emission vehicles, but are selling vehicle from with the vehicle manufacturers who have more than 12 months of experience. If this is the case, demonstration of the manufacturer's 12 months or more of experience AND demonstration of the dealership agreement with the manufacturer are acceptable to meet this compliance requirement.

What documentation is necessary to redeem the voucher?

In order to redeem the voucher(s), the Purchaser and Vendor must provide:

- Proof of registration of vehicle(s)
- Confirmation that charging plan has been implemented
- Confirmation that in-state maintenance plan has been implemented
- Proof of scrappage (as applicable)
- Any materials relevant to NJEDA's confirmation that the agreement terms have been upheld

These materials are described further below:

- *Proof of registration of vehicle(s):* Please submit digital copy or picture of NJ registration(s) for the incentivized vehicle(s). Registration should indicate the purchaser name, address, VIN, and registration type. Registration should be accompanied with proof of VIN, demonstrated through bill of lading, invoice, etc.
- *Confirmation that charging plan has been implemented:* Please submit documentation that demonstrates implementation of plan. This documentation is dictated based on what was outlined in the original application. If a charging plan was not finalized at the time of application, the charging solution developed should be demonstrated. Documentation can

include image of the charger installed on site; invoice for purchase & delivery of charger equipment; completed plan & any necessary equipment (i.e., adaptors) for accessing public charging; signed agreement at private charging location; etc.

- *Confirmation that in-state maintenance plan has been implemented:* In the case the in-state maintenance plan indicated actions that had not taken place at time of approval or were not documented at time of approval (e.g., training to purchaser or contracting with local servicing org), proof of same is necessary (e.g., training manual & affidavit the purchaser received training or is scheduled to do so, or signed agreement with local servicing org, respectively).
- *Proof of scrappage (as applicable):* Picture of the scrapped vehicle, picture of the VIN, picture of the 3-inch hole in engine block, picture of the chassis cut in half, picture of the corresponding vehicle registration
- Any materials relevant to NJEDA's confirmation that the agreement terms have been upheld, as applicable (e.g., if in-state manufacturing was claimed, if vendor training was provided, if applicant remains in good standing, etc.)

In all cases, documentation of these compliance items must be to the satisfaction of the Authority. The Authority may determine, in its sole discretion, if alternative documentation is acceptable or if additional documentation is necessary. This documentation must be submitted to njzip@njeda.com with the title "Voucher Redemption – [Vendor company name] – [PROD-XXXX]" before the voucher expiration date.

As a vendor, can I redeem the vouchers separately if they are billed/delivered at different times?

Yes, you can submit for vouchers on a per-vehicle basis, redeeming the total Voucher Award in multiple disbursements, either for each individual vehicle or for multiple approved vehicles at a time, up to the total Voucher Award amount. Please note that all vouchers must be redeemed within the Voucher Reservation Term (12 months, or 18 months with extension), or they may expire.

The requisition form (a sample of which is included in the Sample Agreement, as Exhibit B, on the right hand of side of the webpage) will need to be populated each time a disbursement is requested along with the redemption request and associated documentation. EDA will review and confirm the request amount is valid and associated with an approved vehicle.

After the vehicle is delivered and the voucher is redeemed, what are the on-going reporting/compliance requirements for vehicle vendors and buyers included in NJEDA's 'right to audit'?

Purchasers and Vendors participating in this program must agree to comply with NJEDA audits during the voucher compliance term (at least 3 continuous years from vehicle registration), including but not limited to providing information and documentation of the following:

- Proof purchaser maintained registration of the vehicle in the State of New Jersey continuously during the Voucher Compliance Term;
- Proof purchaser annually operated at least 75% of vehicle miles traveled (VMT) in NJ
- Odometer reading from Purchaser;
- Vehicle maintenance information (if maintenance occurred, when it occurred, what the service was, and what the cost was) from Purchaser;
- Confirmation by Purchaser that NJ ZIP bumper sticker or placard is displayed on the vehicle;
- As applicable, annual fuel consumption or average range per charge reported by Purchaser;
- Continued support of warranty terms by Vendor;
- Continued availability of in-state maintenance services by Vendor;

- As applicable, Vendor provides driver readiness and education session updates and results, including at least session dates and durations, links (for virtual) or locations (for in person) of sessions, and session sign in sheets for participants (name, contact information, organization); and, in the case of training sessions, training materials; and, in the case of demonstration sessions, count and type of available vehicles present onsite.

VMT verification may be provided in the following ways:

- Telematics reporting (i.e., GPS tracking);

The Authority reserves the right to request additional information not specifically listed herein, as needed, regarding compliance with Voucher Funding requirements. All documentation requested by the Authority to determine eligibility and compliance shall be in form and substance satisfactory to the Authority in its sole and absolute discretion.

What happens if during an audit, I am not in compliance?

NJEDA maintains the right to audit post-voucher redemption. Staff will conduct audits to confirm that Applicant and Vendor self-certifications are accurate and commitments are upheld. In such cases where the audit reveals that the self-certification was not accurate or commitments were not upheld, NJEDA may require, as remedy, that the relevant portion of the funds be returned from either the Applicant or the Vendor as applicable and/or may refer these organizations to the relevant State agency for further investigation. Any intentional inaccuracies by an Applicant or Vendor in the self-certifications or failure to uphold relevant commitments by Applicant or Vendor may be considered by the Board in disqualifying the Applicant or Vendor from future contracting with or financial assistance from the Authority.

The "relevant portion of the funds" will be determined by EDA on a case by case basis, depending upon the nature of the non-compliance (i.e., for entity, for vehicle use, or for bonus criteria).

Will I need to pay sales tax on the vehicle? How much?

Legislation enacted in New Jersey in January 2004 provides a sales tax exemption for zero emission vehicles (ZEVs), which are battery-powered or fuel-cell powered vehicles pursuant to the California Air Resources Board (CARB) zero emission standards for the model year.

Find out if the vehicle you want to sell / purchase is exempt from sales tax and learn how to file for this exemption here: <https://www.drivegreen.nj.gov/dg-sales-use-tax-exemption.html>

Note: this list is updated regularly, but it may not reflect the most recent exempt vehicle list. If you have a new model that is not yet on our list of qualifying vehicles, we ask that you forward a copy of the CARB EO for that model to StopTheSoot@dep.nj.gov. Please use "EV/ZEV Sales Tax Exemption" in the subject line and include the EO as a PDF attachment.

In addition, if there is a unique identifier in the VIN that will help confirm a vehicle has an all-electric powertrain, please provide that information in the body of your email message

How can I learn more about the program? Will there be webinars?

Yes, NJEDA hosted two webinars on September 20th and September 22nd, 2022 for Vendors and March 23rd for Purchasers. Materials and recordings for these webinars are below, and accessible on the right hand side of the main NJ ZIP website at www.njeda.com/njzip.

- Vendor: <https://youtu.be/Cx5TYSX4mew>
- Purchaser: <https://youtu.be/6itXs2v7lyQ>