

Frequently Asked Questions: NJ Zero Emission Vehicle (ZEV) Financing Program

Version 1. 02/24/2025

1. Are there any fees for obtaining a loan?

Yes, NJEDA will charge applicants the following fees:

- Application fee: Non-refundable \$250 fee paid at time of Application submission
- Commitment fee: Non-refundable \$250 fee paid prior to NJEDA issuing a commitment letter (after the Applicant has passed NJEDA underwriting)

2. How long will the application be open for?

The program will remain open on a rolling basis until available funds are exhausted, or until 3 years after application launch.

3. Is my organization eligible to apply for a loan?

Your organization must be a New Jersey registered commercial or industrial business in good standing with the State. You must purchase a new, zero-emission medium- to heavy-duty vehicle(s) with loan funds and commit to operate and register the vehicle in compliance with the loan terms.

4. How can I register to do business in NJ?

[Register Your Business | Business.NJ.gov](https://www.business.nj.gov)

5. What types of vehicles are eligible?

Vehicles that are approved for participation in the currently active phase of NJEDA's voucher program, NJ ZIP, are eligible. For a list of specific approved vehicles, please visit NJ ZIP's webpage at: www.njeda.gov/njzip

Note, eligible vehicles are approved and listed on a rolling basis so check back if your preferred vehicle is not originally listed.

6. What vendors are approved for NJ ZEV applicants to use?

Any vendor that is approved in the currently active phase of NJEDA's voucher program, NJ ZIP, can also be used for the NJ ZEV financing program. The list of approved vendors can be found on NJ ZIP's webpage at: www.njeda.gov/njzip

Note, eligible vendors are approved and listed on a rolling basis so check back if your preferred vendor is not originally listed.

7. Can I buy a vehicle for personal use under NJ ZEV?

No, NJ ZEV is only open to businesses in New Jersey using vehicles for commercial or industrial uses.

8. If I am a vehicle dealer, can I purchase a vehicle from myself and still use ZEV financing?

NJ ZEV does not permit applicants to purchase motor vehicles from themselves or affiliated entities.

9. Can I use this loan to cover the cost of charging infrastructure, vehicle delivery, taxes, or fees such as vehicle registration?

No, NJ ZEV loans can only be used to pay for up to 100% of the vehicle purchase price (not including supporting equipment, shipping, taxes, or fees).

10. How long do I have to pay back the loan?

The loan tenor is a 5-years (60 months) term, with principal and interest repayments due over a 5-year period beginning following closing, which will occur after vehicle delivery. Before your vehicle is delivered, no interest will accrue, and no payments are required. If you choose to purchase multiple vehicles with NJ ZEV financing that will be delivered on separate dates, then the loan will have the monthly payment amount adjusted following each subsequent disbursement. Closing for loans involving multiple vehicles with multiple delivery dates will occur after the first vehicle delivery.

11. How much is the interest rate for the loan?

All loans will have a base rate of half of the current 5-year US Treasury Rate, plus a risk-based credit spread as applicable, fixed at time of application approval. For more information about US Treasury Rates, see [Interest Rate Statistics | U.S. Department of the Treasury](#).

12. If I want to purchase and get a loan for more than one vehicle, do I need to submit a separate application and have separate loans?

An Applicant may apply for a loan for the purchase of multiple approved vehicles models offered by the same vendor within the same application. If an applicant wants multiple vehicles across multiple vendors, they will need to submit multiple applications, 1 for each vendor.

13. What is the maximum loan amount I can receive?

The maximum total loan amount is \$500,000 per applicant. The minimum total loan amount must reach at least \$50,000 per applicant. Please note that the maximum cannot exceed \$500,000 for one applicant, even if they submit multiple applications.

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

You may apply for other grants and vouchers (such as the NJ ZIP program) alongside NJ ZEV; however, you may not use another loan for these vehicles. NJEDA must be the sole

lender on the vehicle if using NJ ZEV. ZEV loan funds can only be used for the balance of the remaining vehicle purchase price after all vouchers/grants are accounted for.

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

As a first-come, first-served 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 and do not increase the requested loan 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 to the requested loan amount will require resubmission 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.

Please note that applicants may change their vendor at any point before signing the loan commitment letter without having to submit a new application. Vendors will be listed as a part of the commitment letter, so there are no changes allowed after that the commitment letter is signed and accepted, other than for limited reasons beyond the Applicant's control.

16. Can I make changes to my selected vendor or vehicle after receiving a loan commitment letter?

After signing the commitment letter for your application, the ability to make changes is subject to specific conditions. Changes related to vendor preferences are generally not permitted at this stage. However, modifications due to the originally selected Vendor company no longer existing or being approved for use under the program may be accommodated.

Changes to the selected vehicle model indicated to be purchased are allowed as long as the newly selected vehicle is also a model approved under the program.

The loan amount indicated in the commitment letter can only be reduced, not increased. NJEDA will not increase loan amounts after a commitment letter is signed. Any change that results in additional vehicle cost is the responsibility of the purchaser. For example, if there is an increase in the vehicle cost due to model change, the purchaser will be responsible to cover the additional cost.

If the Applicant originally intended to purchase more than one vehicle and then ultimately decides to purchase fewer vehicles than originally requested, that is allowed, and the final loan amount will be decreased accordingly.

17. How do I obtain my tax clearance certificate?

[State of New Jersey: Premier Business Services](#)

As a reminder, tax clearance certificates expire every 6-months. A valid tax clearance certificate must be on file with NJEDA at time of application approval and loan closing (delivery and loan disbursement).

18. After being approved for a NJ ZEV loan, how long do I have to purchase and obtain my vehicle?

After signing the commitment letter, you have an 18-month window to have your vehicle(s) delivered and submit required documents for disbursement of loan funds submitted to NJEDA. The closing of the loan will follow vehicle delivery and registration.

19. Is Buy America a requirement for the vehicles financed under this program?

No

20. Are emissions reductions from this program being tracked?

Yes. NJEDA will obtain information on expected vehicle usage as part of the application process. In addition, telematics devices will be provided by NJEDA and used to track vehicle operations to assist with calculations of emissions reductions.

21. Who is required to submit and sign applications on behalf of an organization?

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 other than above, the person with legal responsibility for the application

22. 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 milage on them due to test drives and/or delivery mileage. Vehicle repowers and retrofits are not eligible for financing under this program.

23. Does my vehicle need to be registered to be eligible for financing?

Yes, to be an eligible vehicle, the medium or heavy-duty zero-emission vehicle must be registered in New Jersey with the Motor Vehicle Commission.

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

Any vehicle being purchased with NJ ZEV financing must be sold through a New Jersey licensed dealership - that dealership would be your vehicle vendor. For a list of approved vendors, please visit: www.njeda.gov/njzip

25. I am a registered dealer in the State of New Jersey, how do I apply to be an NJ ZEV vendor?

Any dealership wanting to apply to be an approved vendor with NJ ZEV and NJ ZIP can find more information on eligibility and an application on NJ ZIP's main webpage at [NJ ZIP - NJEDA](#)

Vendors are approved and listed on a rolling basis.

26. After the vehicle is delivered and the loan funds are disbursed, what are the ongoing reporting/compliance requirements for vehicle owners in the program?

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

- a. Maintain ownership and active vehicle registration in New Jersey.
- b. Provide annual reporting of summarized vehicle miles traveled (VMT) data captured via telematics devices. Telematics devices will be provided to the Applicant through EDA's vendor. All borrowers of the NJ ZEV program must operate 75% of annual VMT for each vehicle within the State of New Jersey. VMT verification will be provided via state-owned telematics devices OR through other approved Applicant/Vendor provided devices capable of supplying equivalent and compatible data at no cost to the Authority. This will enable the NJ EDA to ensure that voucher recipients are utilizing their vehicles in line with program objectives.

27. How are loan funds disbursed?

Loan funds are sent directly from NJEDA to vehicle vendors upon Closing. Funds will not be sent to the borrower.