



Frequently Asked Questions: NJ ZIP Phase 3

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General Program and Voucher Information

1. I am a vendor/purchaser with a voucher under Phase 1 and/or Phase 2 of the program. Where can I find information regarding ongoing requirements under these phases?

Please email njzip@njeda.gov for status updates or any questions about your voucher under Phase 1 and/or Phase 2 by providing company name and Product ID #. Archived information regarding Phases 1 and 2 can be found on the NJ ZIP website.

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

Program materials and webinar recordings are accessible on the lower right-hand side of the main NJ ZIP website under "Informational Webinars": www.njeda.gov/njzip.

Additional materials may also be found on the NJ ZIP HelpDesk's website: <https://vtc.rutgers.edu/njzip/>.

A purchaser webinar will be scheduled in the fall of 2025.

3. What vehicle types are eligible?

All commercial, institutional and industrial zero emission 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 Gross Vehicle Weight Rating), and are registered with the New Jersey Motor Vehicle Commission (MVC) and used in compliance with program agreements. Vendors applying for the program must submit each vehicle they would like approved under the program for review.

4. 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. Used vehicles, vehicle repowers, and retrofits are not eligible for this program.

5. 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. Ineligible costs include but are not limited to:

- Taxes
- Vehicle registration fees
- Delivery fees

- NJEDA fees
- Vehicle leases by the Applicant (vehicle must be owned by the Applicant)
- Vehicle operating expenses (electricity, hydrogen, maintenance/service costs, etc.)
- Charging or fueling equipment

5. Where can I download my tax clearance certificate?

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

6. Where can I create a NJEDA login?

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

7. Are emission reductions from this program being tracked?

Yes. NJEDA will require vehicle tracking information on the vehicles being funded by NJ ZIP to calculate emissions reductions, in partnership with the New Jersey Department of Environmental Protection (NJ DEP) and to report as required under the Global Warming Solutions Act. For scenarios where a new vehicle is not replacing an existing vehicle, calculation of avoided emissions compared to a new diesel vehicle will be used.

Vehicles will be equipped with NJEDA-funded Geotab GO9 telematics devices to track and verify usage in New Jersey for 3 years following vehicle delivery.

8. Do vouchers expire? What is the deadline for vehicle delivery?

Vouchers expire eighteen months after the purchaser's voucher agreement is executed, at which point reserved funds will be returned back to the voucher pool. A voucher may not be renewed or extended past this date. The Authority may request updates on order status as needed following voucher approval. Renewed eligibility documents (such as a NJ Tax Clearance Certificate) will be required to be submitted to the Authority prior to voucher fund disbursement.

9. What documentation is necessary to redeem the voucher?

The following documentation is to be provided to the Authority prior to any disbursements to the Vendor. Please note that some of the below items must be secured by the Purchaser and provided to the Vendor, to be submitted by the Vendor. **Vendors are encouraged to collect necessary documents from the purchaser prior to vehicle delivery.** In particular, tax clearance certificates issued by the New Jersey Department of Treasury are only valid for 180 days and will likely need to be updated for both vendor and purchaser prior to disbursement. Vendors must also submit a legal questionnaire to the EDA on an annual basis to verify good standing.

Vendor Documents

1. Executed NJ ZIP Voucher Requisition Form;
2. Proof of purchase, delivery, and registration of Qualifying Vehicle(s):
 - a. Digital copy or picture of NJ registration(s) for the Qualifying Vehicle(s) issued by the New Jersey Motor Vehicle Commission. Registrations for personal use are not accepted.
 - b. Registration must be accompanied with proof of delivery and Vehicle Identification Number, demonstrated through bill of lading, invoice, purchase agreement etc.
3. Tax Clearance Certificate that is valid at the time of disbursement; and
4. Legal Debarment Review that is satisfactory at the time of Disbursement.
5. Any supporting documentation as deemed necessary by the Authority.

Purchaser Documents

1. Tax Clearance Certificate that is valid at the time of disbursement;
2. Signed Certificate of Ongoing Obligation form
3. Any supporting documentation as deemed necessary by the Authority
 - a. Digital copy or picture demonstrating proof of scrappage (as applicable)

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.

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

Purchasers and Vendors participating in this program must agree to NJEDA's right to audit during the voucher compliance term (3 continuous years from voucher disbursement), including but not limited to providing information and documentation of the following:

- Proof purchaser maintained commercial 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
 - By installing Geotab Go9 vehicle fleet tracker devices in participating electric vehicles, VMT verification will be provided via state-owned telematics devices so NJ EDA can accurately track vehicle usage, charging patterns, and adherence to program guidelines. This will enable the NJ EDA to ensure that voucher recipients are utilizing their vehicles in line with program objectives.
- Odometer reading from Purchaser;
- Vehicle maintenance information (if maintenance occurred, when it occurred, what the service was, and what the cost was) from Purchaser;
- 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;

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.

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

In such cases where an 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.

In the event of non-compliance within the three-year Voucher Compliance Term, the Authority may, after allowing a chance for the defaulting party to rectify the situation, avail itself of various remedies. These remedies include the potential repayment of all or a portion of the Voucher Award, barring the Purchaser from future Program participation, terminating the Agreement, or exercising any available legal right or remedy under the applicable law or Voucher Agreement. For consistent enforcement, a recapture mechanism has been established. This mechanism emphasizes maintaining responsibilities and acknowledges compliant businesses' dedication, providing a scaled repayment structure based on the duration of compliance within the three- year term. The repayment structure varies, with recapture percentages outlined as follows: 100% for defaults within the first year, 60% for defaults in the second year, and 30% for defaults occurring in the third year of the Voucher Compliance Term, ensuring accountability while recognizing compliance efforts.

Vendor Requirements

1. I'm a vendor, how long will the application be open for?

Application dates are not yet finalized; however, the vendor application is expected to open during Q2 of 2025. Vendor applications will be open for a window of time before purchaser applications so that a list of available vendors and vehicles can be made available on the ZIP website for purchasers to select from, however both additional vendors and vehicles can still be added on a rolling basis after the initial window, likely with a longer review time. Completed and approved vendor applications received within the first month of vendor application launch should be listed on the ZIP website prior to the launch of purchaser applications.

Please note that approved ZIP vendors would also be eligible to participate in the [NJ ZEV Financing program, which was approved as a companion loan program designed to work closely with NJ ZIP](#). NJ ZEV will provide low-interest rate loans targeting the same vehicle classes as NJ ZEV. Expected timing of purchaser applications is the same as NJ ZIP.

To stay up to date on upcoming announcements, including dates for application launch, and other important developments, we encourage you to sign up for our listserv located at the bottom-right of our website: www.njeda.gov/njzip/#listserv

2. Is there an application fee for vendors? What if the vendor was previously approved under ZIP?

Yes. Vendors will pay a one-time \$1000 application fee for Phase 3 upon submission of their application, via either credit card or check. Application review will only begin after payment is confirmed as received.

Vendors approved in prior phases of the ZIP program must reapply and pay the application fee. Application fees are non-refundable.

3. What entities are eligible to be vendors under Phase 3 of the program?

Vendor eligibility for NJ ZIP Phase 3 is restricted to licensed New Jersey Dealers. Licensed vehicle dealers in New Jersey are responsible for submitting applications for all makes and models they would like to be approved under the program.

Dealership licenses are issued by the NJ Motor Vehicle Commission (NJ MVC) see link for additional information: [NJ MVC | New and Used car Dealerships and Leasing Licenses](#)

4. If I am an OEM, how can I participate in the program?

Manufacturers are required to comply with the Franchise Practices Act at N.J.S.A. 56:10-1, et seq and all other applicable statutes and regulations. OEMs of zero emissions medium- and heavy-duty vehicles may enter into a franchise agreement with a licensed NJ Dealership who is participating in the program to get vehicles approved and listed.

5. As a vendor, can I redeem the voucher(s) in separate occurrences if vehicles are delivered at different times?

Yes, you can submit disbursement packages for vouchers on a per-vehicle basis, 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 of 18 months.

The requisition form will need to be populated each time a disbursement is requested along with other required documentation. EDA will review and confirm the requested amount is valid and associated with an approved vehicle.

6. Are vendors responsible for ongoing vehicle operational compliance?

Vendors are not responsible for the operational requirements of vehicles, as this is an obligation of the purchaser. However, vendors are required to facilitate registration of the vehicle in New Jersey and install state-issued Telematics devices on vehicles prior to delivery, and to honor the warranty and maintenance requirements of eligible vehicles.

Purchaser Requirements

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

The application date for the first round of purchaser applications is expected to open sometime in fall of 2025 and will remain open until voucher funds have been fully committed.

The second round of purchaser applications will be expected to launch no sooner than one year after the launch of the first round. If additional funds become available, the program may reopen or remain open.

2. Is there an application fee?

Yes. Vehicle purchasers will pay a \$500 application fee upon submission of their NJ ZIP application, via either credit card or check. Application review will only begin after payment is confirmed as received.

3. What kind of organization is eligible for a ZIP voucher?

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

- 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 of NY and NJ, are not eligible.

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

Additionally, 50% of funding in each round of NJ ZIP Phase 3 will be set-aside for small business applicants (less than 25 full time employees or less than \$5M gross annual revenue) who will domicile their vehicle(s) in an Overburdened Community, as is designated by the NJ DEP EJ Map linked here: [NJDEP | Environmental Justice](#). If these funds are not committed within the first six months of each round, they will be rolled into the general pool.

4. 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. The vehicle must be registered to the applicant business and personal registration cards will not be accepted.

5. If I want to apply for multiple vehicles, do I need to submit multiple applications?

An applicant may apply for multiple approved vehicle models offered by the same vendor, within the same application. However, if an applicant selects vehicles from multiple vendors, then additional applications will need to be submitted for each vendor. Please note that if multiple applications are submitted, each requires an application fee to be paid.

6. 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 the amount is capped at \$3M total per round per Employer Identification Number ("EIN"). Note for Phase 3, there will be two rounds of funding, and an entity may apply for up to \$3M each round. Any previously awarded NJ ZIP Phase 1 or 2 vouchers do not impact the cap per applicant in Phase 3.

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

NJ ZIP vouchers may be stacked with other funding sources however, the total funding per vehicle **may equal but may not exceed the cost of the vehicle. There can be no duplication of benefits.** NJ ZIP Vouchers may be used alongside other State or Federal financial assistance so long as the total funding per vehicle **does not exceed the cost of the vehicle.** NJEDA staff will verify stacked incentives via vehicle invoice prior to voucher disbursement. If there are multiple sources the ZIP funding will only fund any shortage in the cost of the vehicle.

Any 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.

8. Does NJ ZIP cover EV chargers and related infrastructure?

Chargers and related infrastructure are not eligible for NJ ZIP voucher funding. Please visit the websites below to learn about incentives for chargers available from other state agencies:

[Electric Vehicle Incentive Programs | NJ OCE Web Site](#)

Utility programs are available for Make-Ready incentives. Please note that utility coordination is often required for charger installation.

[Atlantic City Electric EVsmart Program](#)

[Jersey Central Power & Light EV Driven Program](#)

[PSE&G Electric Vehicle Charging Program](#)

[Rockland Electric EV Charging Program](#)

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

Applicants' changes prior to approval 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 impacts eligibility or 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.

After the approval of your application, purchasers have the ability to change their selected vendor and vehicle make/model within 30 days of approval notice. However, the newly selected vehicle must be in the same weight class that the applicant originally submitted in the application, and an updated quote must be submitted for review. If there's an increase in the vehicle cost, the purchaser must confirm their responsibility to cover the additional cost as any increase will not be eligible for program funding.

10. Can I make changes to my application after signing my NJ ZIP grant agreement?

Changes to the vendor or vehicle type cannot be made after the grant agreement is signed, which is when the 18-month voucher reservation term begins. However, purchasers would be allowed a 30-day period to reapply with a new vendor or change their vehicle if their previously selected vendor/vehicle is no longer eligible or available after signing the NJ ZIP grant agreement. An additional application fee payment would not be required for purchaser resubmission in the event of vendor default or vehicle de-listing.

11. Is my organization eligible for bonuses?

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

There is also a bonus available for each medium or heavy-duty vehicle that is scrapped by a small business and replaced with an NJ ZIP-funded vehicle.

12. What is scrappage and am I required to do it?

Vehicle scrappage is not mandated by this program. A scrappage bonus per medium/heavy-duty vehicle being scrapped and replaced with NJ ZIP-funded vehicle is available for small business applicants.

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.

13. What is 'small business'?

Small business is defined by this program as a business with 25 or fewer full-time employees OR less than \$5M in gross annual revenue. Tax documentation demonstrating such must be provided to obtain the small business bonus.

14. 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. Valid certification(s) must be provided to obtain the voucher bonus(es).

15. Who can sign applications?

Application signature, the legal questionnaire, and final agreement must be signed by an authorized applicant/purchaser entity 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 who is legally authorized to sign the application on behalf for the application

16. 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, or otherwise) must be registered commercial after voucher approval in New Jersey with the Motor Vehicle Commission to receive voucher funding.

Approved Phase 3 vendors will be responsible for managing the commercial registration process of vehicles purchased under the Program in compliance with NJ MVC. Purchasers will be required to maintain NJ registration for 3 years following delivery of the vehicle.

17. Are there any insurance coverage requirements for vehicles purchased through NJ ZIP?

Purchasers are required to maintain all insurance on purchased vehicles as required by New Jersey law and regulations.

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

The entity applying for NJ ZIP vouchers must purchase the vehicle from an eligible vendor. 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.

19. 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.

A financing program to support electrification of medium and heavy-duty vehicles offered by the EDA is linked here for details: [NJ ZEV Financing Program](#).

Note: Institutional entities are not eligible for NJ ZEV Financing at this time.

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

Purchasers are required to pay all taxes on the vehicles purchased through the program as required by law.