NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

NJ ZIP Pilot Voucher Program for Medium- and Heavy-Duty Zero Emission Vehicles Vendor Application – Phase 3 Notice of Funding Availability

The New Jersey Economic Development Authority ("NJEDA" or "Authority") will begin accepting applications from **qualified vendors** ("Vendor" or "Applicant") on a rolling basis for the third phase of the New Jersey Zero-Emission Incentive Program ("NJ ZIP") for Mediumand Heavy-Duty Zero Emission Vehicles – Vendor pilot Application ("Phase 3 – Vendor Application" or "Program") on Thursday, July 31, 2025 at 10:00 am EST. Vendor application will be accepted until all Purchaser Application funds have been depleted.

Application will be reviewed on a first come first serve basis to be approved as a Vendor for selection by Purchasers in both the NJ ZIP Pilot Voucher program and NJ ZEV Financing Loan program.

To be guaranteed as listed on the NJ ZIP website as an eligible vendor <u>prior to Purchaser application launch</u>, Vendors <u>must submit their application by</u> Tuesday, **September 2, 2025 at 5:00 PM EST.** Vendor applications submitted after the September 2, 2025 deadline will be reviewed but will not be guaranteed as listed on the NJZIP website prior to Purchaser application launch. NJEDA will update the Vendor list periodically to include approved vendors as necessary following purchaser application launch date.

Note: The Phase 3 - Purchaser Application for New Jersey businesses and institutions ("Purchaser" or "Applicant") to apply for voucher funding to support the purchase of zero-emission vehicles will open at a future date and will be announced on the NJZIP website with a separate NOFA which will provide detailed eligibility requirements and additional information.

A non-refundable fee of \$1,000 is due at time of application. The vendor application can be assessed at www.njeda.gov/njzip.

Purpose and Overview

NJ ZIP helps New Jersey-based companies accelerate adoption of zero-emission medium- and heavy-duty vehicles by reducing the upfront capital cost through the provision of vouchers. The adoption of zero emission vehicles will help reduce emissions statewide. NJ ZIP will allow NJEDA to stimulate and assess market-readiness as well as determine and foster the economic impact of zero emission vehicle adoption moving forward by approving and reserving voucher funding to support Purchaser Applicants who meet a set of eligibility criteria, and whose selected vehicles, approved vehicle vendors, and vehicle use case qualify.

Program Details

Phase 3 – Vendor Application is for licensed vehicle dealers in New Jersey as defined in N.J.S.A.

39:10-19 to be listed as an approved vendor eligible for selection in the NJ ZIP pilot and NJ ZEV Financing program.

The total funding for the Phase 3 - Purchaser Application vouchers is \$75 million allocated from the Reginal Greenhouse Gas Initiative ("RGGI") and will become available in two rounds as follows:

- o A first \$37,500,000 allocation round
- A second \$37,500,000 round to be made available no sooner than 1 year the launch of the Phase 3 Purchaser Application.

During any round of funding, 50% will be set-aside for small business applicants in overburdened communities ("OBCs"). OBCs set aside expires 6 months after Purchaser application launch date to be rolled into the unallocated pool of funding. After the 6 months set aside period in each round, the remainder of any unallocated set aside voucher funding will be open to all otherwise eligible applicants.

Eligible Vendor Applicants

To be eligible for Phase 3 – Vendor Application, a Vendor Applicant must:

- Be a licensed vehicle dealer in New Jersey as defined by N.J.S.A. 39:10-19.
- Be registered to conduct business in New Jersey, as demonstrated by a valid New Jersey
 Tax Clearance Certificate at the time of application, at the time of closing, and at the
 time of disbursement.
- Be in good standing with the New Jersey Department of Labor and Workforce Development ("DOL"), the New Jersey Department of Environmental Protection ("DEP"), and the New Jersey Division of Taxation at the time of application.
- Satisfy the Authority's debarment/disqualification review, not be in default under any Authority program, and not have any outstanding obligations to the Authority.
- Offer at least one eligible vehicle and provide required vehicle-associated documentation, including but not limited to:
 - o Listing information related to the vehicles, such as via vendor website, inclusive of vehicle images, descriptions, and sale cost.
 - A specification sheet outlining all major components, corroborating vehicle capabilities, charging/fueling needs, design appropriate to proposed use, and eligibility.
 - Standard warranty for the eligible vehicle(s), indicating at least three years or 50,000 miles of coverage, whichever comes first, covering parts (at a minimum, motor, drive

train, and batteries, hydrogen fuel cells, etc.) and labor. May be updated on a perpurchaser basis.

- Provide in-state servicing plan for maintenance of vehicles aligned with industry norms and current best practices implemented before vehicle delivery. Vendors must demonstrate in-state Zero Emission Vehicle ("ZEV") servicing capability either through their own facilities, equipment, and trained personnel, or via a legally binding agreement with a qualified third-party service provider and must submit appropriate documentation to support this capability to avoid disqualification.
- Manage the installation of state-issued telematics devices prior to vehicle delivery.
- Manage the commercial registration process of vehicles purchased under the Program in compliance with NJMVC.
- Agree to accept the program's terms and conditions as laid out in the grant agreement, including but not limited to:
 - o Accept the program's voucher towards Purchaser Applicants' vehicle payments, deducting the vehicle's voucher amount from the upfront cost.
 - o Engage with EDA's selected technical assistance provider, potentially including inperson events when mutually agreed to.
- Enter into a Vendor Participation Agreement with the Authority.

Purchaser Applicant Eligibility

<u>For the purposes of Vendor Applicants only</u>, to be eligible for Phase 3 – Purchaser Application, a Purchaser Applicant must:

- Be a commercial, industrial, or institutional organization registered to do business in New Jersey. 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 are not eligible.
- Provide a valid New Jersey Tax Clearance Certificate and/or other documentation deemed acceptable by the Authority, as applicable, to demonstrate business registration or ability to conduct operations in New Jersey.
- Be in good standing with the New Jersey Department of Labor and Workforce Development ("DOL"), the New Jersey Department of Environmental Protection ("DEP"), and the New Jersey Division of Taxation.

- Be the prospective vehicle owner at time of application and be the vehicle owner throughout the compliance period.
- Vehicle(s) must be registered in the State of New Jersey for a minimum of three continuous years.
 - o Vehicles may not be registered for personal use.
- Purchaser Applicant will annually operate at least 75 percent of vehicle miles traveled ("VMT") in the State of the New Jersey.

<u>For the purposes of Vendor Applicants only</u>, to be eligible for Phase 3 – Purchaser Application, the Purchaser Applicant's proposed vehicle(s) must be:

- A new zero-emission Class 2b Class 8 (GVWR 8,501 lbs. 33,000+ lbs.) vehicle, used for commercial, industrial, or institutional purposes. Vehicles for personal use are not permitted. Retrofits and repowers of pre-owned vehicles and used vehicles are not eligible.
 - O All zero emission vehicles, defined as "a vehicle that emits no tailpipe pollutants from the onboard source of power, such as particulates, hydrocarbons, carbon monoxide, ozone, lead, and various oxides of nitrogen," are eligible for vouchers. This includes, but is not limited to, battery-electric ("BEV") and hydrogen fuel cell-electric ("FCEV") vehicles.
- Purchased, delivered, and registered in compliance with the New Jersey Motor Vehicles Commission ("NJMVC") within 18 months of receipt of the voucher approval letter. Proof of intent to purchase at time of application is required for eligibility.
 - O Vehicles may not be registered for personal use
- Compatible with a State-specified telematics device or have the ability to supply equivalent and compatible data at no additional cost to the Authority
- Procured from an approved vendor (detailed in the following section).

Application Submission and Review Process

Complete vendor applications will be accepted on a first-come first-serve rolling basis via the Program's online application portal from Thursday, July 31, 2025, 10:00 AM EST until all purchaser funds have been depleted. Applicants must complete all required application questions fully and upload all required documents. NJEDA staff will review all applications for completeness and eligibility.

Applicants will be notified in writing of any deficiencies identified within their application. Applicants will be given sixty (60) business days from the staff notification to cure the deficiencies identified by staff as incomplete or incorrect. At the sole discretion of the Authority, staff may ask for additional information or clarification of the information included in the application, including,

but not limited to, responses, documentation, and attachments. Applicants that are non-responsive to NJEDA requests for additional information will be notified by NJEDA staff via email that the application will be administratively withdrawn. If an Applicant responds but is unable to provide the requested additional information, the application will be declined.

Base Voucher Amount

Voucher funding amounts are based on GVWR laid out in the table below:

Table 1: Voucher Amounts

Vehicle GVWR	Vehicle Class	Voucher amount
8,501 - 10,000 lbs.	Class 2b	\$15,000
10,0001 - 14,000 lbs.	Class 3	\$50,000
14,001 - 16,000 lbs.	Class 4	\$65,000
16,001 - 19,500 lbs.	Class 5	\$75,000
19,501 - 26,000 lbs.	Class 6	\$90,000
26,001 - 33,000 lbs.	Class 7	\$135,000
33,001+ lbs.	Class 8	\$175,000

Eligible Purchaser applications may receive increased per-vehicle voucher bonuses through documentation of certain criteria.

- Certified woman-, minority-, or veteran-owned businesses can receive a 4% increase in the base voucher amount per vehicle per qualifying New Jersey State certification.
- A small business bonus offers a 25% increase of the base voucher amount per vehicle,
- A school bus bonus provides a 25% increase in the base voucher amount per vehicle if the applicant is purchasing a school bus.
- A small business vehicle scrappage bonus of \$3,000 per vehicle scrapped and replaced with a NJ ZIP voucher-funded ZEV is available.

The above bonuses may be stacked, however, the total funding per vehicle may equal but may

not exceed the cost of the vehicle. Additionally, NJ ZIP Vouchers may be used alongside other State or Federal financial assistance so long as the total funding per vehicle **may equal but may not exceed the cost of the vehicle**. The total funding reserved for a purchaser applicant, including any qualifying bonuses, cannot exceed \$3,000,000 per Employer Identification Number ("EIN") in each round of funding to ensure equitable distribution of resources.

Purchaser Applicants may apply for more than one eligible vehicle from the same vendor within the same application but must submit separate applications for separate vendors. All disbursements will be subject to the availability of funding.

Participation Agreement and Post Compliance Requirement

Approved Vendors will be **required** to enter into a Participation Agreement with the Authority which **automatically** makes the Vendor a participant in the NJ ZEV Financing Loan program. Information regarding the NJ ZEV Financing Program can be accessed at: https://www.njeda.gov/njzevfinancing/.

NJEDA reserves the right to audit and verify compliance with eligibility requirements prior to voucher redemption and post funding disbursement. Approved Vendors must agree to provide responses and updated data upon request to support such audits and verifications. Vendors must remain in good standing with the New Jersey Department of Labor and Workforce Development and the New Jersey Department of Environmental as well as maintain a valid Tax Clearance Certificate throughout program participation.

Note: NJEDA may use Purchaser Applicant information, Vendor Applicant information, and vehicle data and information provided in the application and audit process, that is not otherwise prohibited by law, for case studies and to support the development of future programs.

Fees

A \$1,000 non-refundable fee is required at the time of application submission.

Additional Information

Additional information on the NJ ZIP may be found at https://www.njeda.gov/njzjp

Questions concerning this Program's Notice of Funding Availability should be submitted to njzip@njeda.gov

State and Federal Requirements

Funding for this grant is subject to State and Federal statutes including, but not limited to, the following, which may impact affiliates: N.J.S.A. 52:32-60.1, et seq., which prevents the New Jersey government entities from certain dealings with businesses engaged in prohibited activities in Belarus or Russia; Compliance with the list of "Specially Designated Nationals and Blocked Persons" promulgated by the Office of Foreign Assets Control (OFAC),

https://sanctionssearch.ofac.treas.gov; N.J.S.A. 24:6I-49 which provides that the following are not eligible for most State or local economic incentives (a) a person or entity issued a license to operate as a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and (b) a property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and N.J.S.A. 52:13D-12, et seq., which prohibits a member of the Legislature or a State officer or employee or their partners or a corporation in which they owns or controls more than 1% of the stock to undertake or execute any contract, agreement, sale, or purchase of \$25.00 or more, made, entered into, awarded or granted by any State agency, with certain limited exceptions including grant awards by the New Jersey Commission on Science, Innovation and Technology.