

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Notice of Funding Availability
NJ ZIP Pilot Voucher Program for Medium Duty Zero Emission Vehicles

The New Jersey Economic Development Authority (NJEDA) is seeking applications from qualified applicants and vendors for a pilot vehicle voucher program to support the purchase of zero emission medium duty vehicles that operate in overburdened communities.

Name of Program: NJ ZIP Pilot Voucher Program for Medium Duty Zero Emission Vehicles.

Purpose: The NJ ZIP Pilot Voucher Program had an initial budget of \$15,000,000 for voucher awards through funding allocated from New Jersey's Regional Greenhouse Gas Initiative (RGGI) auction proceeds, as outlined in the RGGI Strategic Funding Plan, to be implemented and administered by the NJEDA. This fund was expanded by \$9,250,000 in September 2021. This Notice is intended to announce the addition of \$20,000,000 to this voucher award budget as of December 1, 2021 at 9AM Eastern. Applications for this funding can be filed through NJEDA's online portal at www.njeda.com/njzip (click "Apply Here" button) and will be reviewed on a first come, first serve basis until the funds are exhausted. In addition to this formal notice, announcement of this expansion was provided on [November 10, 2021 as part of a press release](#) issued by Governor Murphy's Office and outlined on the [NJ ZIP webpage](#) as of November 18, 2021.

The goal of the program is to help New Jersey-based companies accelerate adoption of zero emission medium duty vehicles by reducing their upfront capital cost through the provision of vouchers. This adoption is anticipated to reduce emissions within the pilot communities, and to allow NJEDA to stimulate and assess market-readiness and determine and foster the economic impact of adoption moving forward. The pilot communities were previously defined as the greater Camden and greater Newark areas, with the addition of the greater New Brunswick area in September 2021; this Notice is also intended to announce the addition of the Greater Shore Area as an eligible community on December 1, 2021.

The pilot program is for commercial, industrial, or institutional organizations with vehicle operations in the greater Camden, greater Newark, greater New Brunswick, and/or greater Shore areas of New Jersey that are purchasing medium duty zero emission vehicles, and for the vendors of such products.

Eligibility Criteria: To be eligible, a business/institution purchasing a vehicle (applicant) must:

- Be a commercial, industrial, or institutional organization in New Jersey. As defined in the Global Warming Solutions Fund, 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.
- If a for-profit business, be registered to conduct business in New Jersey (as demonstrated with a business registration certificate). Non-profit businesses or institutions may be required

to provide a business registration certificate or other documentation, as applicable, to demonstrate their New Jersey operations and non-profit or institutional status.

- Provide a Tax Clearance Certificate (with the application or prior to closing).
- Be in good standing with the New Jersey Department of Labor and Workforce Development and New Jersey Department of Environmental Protection.

To be eligible, applicant's proposed vehicle(s) must be:

- A new zero emission vehicle Class 2b – Class 6 (GVWR 8,501 lbs. – 26,000 lbs.) (ZEV), used for commercial, industrial, or institutional purposes. Retrofits and repowers of pre-owned vehicles are not eligible.
 - 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 and registered within six months of receipt of voucher approval letter, with proof of such intent to purchase required for eligibility. An extension for up to an additional six months may be permitted on a case-by-case basis.
- Not a subject of Volkswagen (VW) Settlement funding or any other State funding for the same vehicle(s).
- Procured from a Vendor that meets program eligibility requirements (detailed in the following section).

Note: 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. 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.” Vehicles that are not replacements (that is, 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. If the applicant is defined as a small business, they can receive a bonus incentive on a per-vehicle basis for scrappage.

To be eligible, vehicle manufacturer or seller (vendor) must:

- Provide proof of a minimum of 12 months of experience selling or manufacturing eligible vehicles.
- Be registered, or register to conduct business in New Jersey prior to executing an agreement with the NJEDA.
- Be in good standing with the New Jersey Department of Labor and Workforce Development and New Jersey Department of Environmental Protection.
- Provide a Tax Clearance Certificate.
- On a per-applicant basis, provide additional documentation, including, but not limited to:

- A link to vendor website that indicates eligible vehicles available for sale, and their related specifications;
 - A specification sheet or, if custom vehicle, specification sheets for all major components, corroborating vehicle capabilities, charging/fueling needs, design appropriate to applicant’s planned use, and eligibility; and
 - Timeline and process/plans by which vendor intends to comply with the terms of the voucher (for example, delivery of vehicle, development of charging/fueling plans, implementation of maintenance plan, etc.) prior to expiration of voucher.
- Agree to accept the program’s voucher as a portion of the final vehicle payment, deducting the full voucher(s) amount from the upfront cost to the applicant.

Voucher amounts and expiration: To reserve voucher funding, eligible applicants can propose purchase of eligible zero emission vehicle(s) from an eligible vendor, indicating intent to purchase and register vehicle within six months, and to use vehicle as prescribed in program terms for the three-year compliance term. An extension for up to an additional six months to purchase and register the vehicle may be permitted and will be reviewed on a case-by-case basis.

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

Vehicle GVWR	Vehicle Class	Voucher amount
8,501 - 10,000 lbs.	Class 2b	\$25,000
10,001 - 14,000 lbs.	Class 3	\$55,000
14,001 - 16,000 lbs.	Class 4	\$75,000
16,001 - 19,500 lbs.	Class 5	\$85,000
19,501 - 26,000 lbs.	Class 6	\$100,000

Eligible applicants may receive increased per-vehicle voucher bonuses through documentation of any of the following:

- Small business vehicle scrappage bonus: \$2,000 per vehicle scrapped and replaced with a NJ ZIP voucher-funded ZEV.
- Certified woman-, minority-, or veteran-owned business bonus: \$4,000 per vehicle.
- Small business bonus: A 25 percent increase of the base voucher amount per vehicle.
- New Jersey manufacturing bonus: A 25 percent increase of base voucher amount per vehicle will be available if the vendor can formally document (for example, but not limited to, through price sheets and hourly rates) that 25 percent of the cost of the vehicle is spent in New Jersey on labor for vehicle design, assembly, and/or manufacturing or cost of components produced in New Jersey.
- Driver readiness and education bonus: \$2,000 per vehicle; available if the vendor provides

two public training sessions (in-person, but may be web-based contingent on COVID-19 safety recommendations) per quarter in the year following applicant voucher(s) approval, for a total of eight sessions, including at least an overview of the technology, operation, and safety (associated with, for example, operation, charging, and/or maintenance) on two separate days, given by subject matter experts. In addition, vendor must provide a once per quarterly opportunity in the year following applicant voucher(s) approval for publicly available vehicle test drive or in-person vehicle viewing and demonstration within one or more of the selected pilot communities. In the case that the voucher funds have been disbursed prior to completion of this commitment, NJEDA will verify satisfactory completion of commitment and, if vendor does not complete its obligation, vendor may be required to refund the bonus funds to the voucher pool.

These bonuses may be stacked, with applicant eligible for multiple bonus criteria. The total funding per vehicle may equal but may not exceed the cost of the vehicle.

Maximum funding reserved for a single applicant business (as determined by EIN) through vouchers inclusive of any qualifying bonuses may not exceed \$1,500,000, to ensure equitable distribution of resources.

Required Documentation: All applications to the NJ ZIP pilot program must include the following documentation:

1. Completed and signed online application (applicant and vendor);
2. Completed Legal Debarment Questionnaire (applicant and vendor);
3. Vehicle specification sheets (vendor);
4. Timeline and process/plans by which vendor intends to comply with the terms of the voucher (for example, delivery of vehicle, development of charging/fueling plans, implementation of maintenance plan, etc.) prior to expiration of voucher (vendor);
5. Details on the vehicle being replaced (applicant, if applicable);
6. Current New Jersey Tax Clearance Certificate listing New Jersey Economic Development Authority. All certificates listing another State agency will be rejected (applicant and vendor); and
7. If not demonstrated through New Jersey Tax Clearance Certificate, a New Jersey Business Registration Certificate or, if non-profit or institution, other documentation, as applicable, to demonstrate New Jersey operations and status.

And, as applicable, if applying for additional bonuses:

1. If applicant applying as a small business, employee information, as appropriate, for applicable company structure and staffing, for example, most recent New Jersey WR-30 (W-2 employees)
2. If applicant applying as a small business, most recent company tax filing; Federal 941 and either an NJ-CBT-100 (Schedule A), Form-1065, or Form-1040 (Schedule C), or whichever is applicable to the organizational form of business, showing the total gross receipts or sales for the year;
3. If applicant applying as a women-, minority-, or veteran-owned business, a copy of

- women-, minority-, and/or veteran-owned business New Jersey Certification;
4. If vehicle is manufactured in the State of New Jersey, price sheets for materials, hourly labor rates and payroll, Federal 941, formally documenting that 25 percent of the cost of the vehicle is spent in New Jersey on labor for vehicle design, assembly, and/or manufacturing or cost of components produced in New Jersey (vendor).
 5. If applying for driver readiness and education bonus, proposed agendas, timelines, and methodology for public training sessions and vehicle demonstrations (vendor).

Application and Evaluation Process: Applications to the program from both applicants and vendors shall be submitted using NJEDA's online application portal. The application portal has been open since April 6, 2021, until all funds are committed, on a first-come, first-served basis. The funding pool, initially \$15,000,000, was expanded in September 2021 by \$9,250,000, adding the greater New Brunswick area, and expanded as of December 1, 2021 by an additional \$20,000,000, adding the greater Shore area. The portal for applicants and vendors is open simultaneously, allowing each to complete and submit their respective applications or portions of applications, including proof of eligibility. An applicant's place in line will be determined based on the date and time that the completed application, inclusive of eligible vendor and vehicle details, is received by NJEDA, including any missing documentation.

NJEDA staff will review each application against the basic and bonus eligibility criteria outlined previously. All submitted applications will be reviewed for document completeness and eligibility on a rolling basis. Following the completeness review, applicants with missing documentation will receive an email notification from NJEDA to submit or re-submit any missing or incomplete required documentation by 5:00 P.M. on the 10th business day following the day on which it receives such notification (Extension Time).

After the applicant's Extension Time, any application that does not include all of the documents specified or contain documents that have not been completed will be considered incomplete and will not be further reviewed for eligibility. Only complete applications will be reviewed for voucher eligibility.

Note: Due to COVID-19, it may take longer than usual for applicants to obtain certain New Jersey State documents, such as New Jersey Business Registration Certificate, Tax Clearance Certificate, and Women-, Minority-, or Veteran-Owned Business Certification. If an applicant has attempted to obtain the missing New Jersey State documents and has not received them by the extension time, the applicant may provide correspondence or receipts that demonstrate the attempt to obtain the missing documents to extend the extension time. The required missing documentation must be submitted before any approval of funds reservation will be made with respect to that applicant.

Once an application is reviewed and approved, the voucher funds are reserved for six months from the date of the voucher reservation approval letter. During this time, applicants and vendors will be required to execute an agreement outlining the voucher amount, terms, and conditions of the funding. Voucher funds will not be disbursed until the execution of such agreement by the applicant, vendor, and NJEDA. An extension for up to an additional six months to purchase and register the vehicle may be permitted and will be reviewed on a case-

by-case basis.

Once vehicle is delivered to and registered by the applicant, with documentation of same provided to NJEDA, and all other relevant program agreements are met, including vehicle scrappage, as applicable, applicant's voucher(s) may be redeemed by vendor.

Post-closing, staff will conduct periodic 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 and this impacts eligibility, NJEDA may require, as remedy, that the funds be returned from either the applicant or the vendor 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 NJEDA.

Other Terms and Conditions: By accepting the voucher funding, applicants and vendors will also agree to the following terms:

- Applicant will register the vehicle in the State of New Jersey for a minimum of the three initial, continuous years; and
 - Annually operate at least 75 percent of vehicle miles traveled (VMT) in the State of New Jersey and annually operate 50 percent or more of VMT within either the greater Camden, greater Newark, greater New Brunswick, or greater Shore areas for a minimum of three continuous years from date of registration; or
 - Annually operate at least 75 percent of vehicle miles traveled (VMT) in the State of New Jersey and have a registration address and domicile the vehicle within either the greater Camden, greater Newark, greater New Brunswick, or greater Shore areas for a minimum of three continuous years from date of registration.
- Vendors will provide:
 - Certification from the vendor that the vehicle complies with all applicable State and Federal requirements for operation, including the Federal Motor Vehicle Safety Standards (FMVSS) issued by the National Highway Traffic Safety Administration (NHTSA), found in Title 49 of the Code of Federal Regulations (CFR).
 - Warranty to applicant for the eligible vehicle, 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.
 - In-State servicing plan for maintenance of applicant's vehicle(s) aligned with industry norms and current best practices implemented by or before vehicle delivery.
 - Charging or fueling needs and plans to address such needs, as applicable, to the technology, indicating if the applicant intends to use already available infrastructure (public or private) or including, if available, details on anticipated count, type, capacity, and location of chargers necessary for vehicle.

- NJEDA’s right to audit and verify compliance with eligibility requirements (both for general eligibility and bonus-criteria eligibility) post-voucher redemption and agree to provide responses and data upon request to support such audits and verifications. For example, to verify vehicle miles traveled within the eligible pilot communities, NJEDA may request data such as, but not limited to, telematics, route maps, delivery histories, etc.
- Permit the use by NJEDA of applicant, vendor, and vehicle data and information that is provided in the application and audit process, and that is not otherwise prohibited by law, for case studies and to support the development of future versions of this program, or future alternative programs.
- Commit to displaying a visual indication on the commercial vehicle that it is a ZEV and that its purchase was subsidized through this program, meeting minimum standards or as materially provided by NJEDA (for example, a bumper sticker, placard, etc.).

Inquiries: NJEDA will host informational webinar(s) on the NJ ZIP Pilot Program and a recording of the webinar(s) will be posted on the NJEDA's webpage. Information on registration for the webinar(s) can be found on NJEDA’s webpage.

Questions and inquiries concerning this notice of funding will be accepted through the application deadline and should be submitted via email to njzip@njeda.com. The subject line of the email should state: “NJZIP Notice of Funding Question – [Organization Name].” Phone calls and/or faxes shall not be accepted.

All questions received and answers provided in response to this notice of funding will be answered in the form of a Frequently Asked Questions (FAQ) document, which will be posted and continuously updated on NJEDA's website.

Confidentiality: Applications received will be reviewed only by staff of NJEDA, with good standing checks by sister agencies on applicants and vendors. All proposals submitted will be subject to requests for disclosure, including, but not limited to, a request pursuant to the Open Public Records Act (OPRA), N.J.S.A. 47:1A-1 et seq. If the applicant believes that information contained in its proposal merits confidential treatment pursuant to OPRA, any such purportedly confidential information submitted shall be specifically identified and marked by the applicant.