

Pilot Program: Heavy Duty Zero Emissions Vehicles (ZEV)

Information Packet Includes:

- Program Information
- Terms and Conditions
- How to Submit
- Rebate Application Form



1 | OVERVIEW

In June 2024, Arizona’s House Bill (HB) 2897, the 2024-2025 General Appropriations Act was enacted to provide the funding for a Heavy Duty Zero Emissions Vehicles Pilot Program (Program). HB2897 provided “\$1,000,000 to the Arizona Department of Environmental Quality (ADEQ) to conduct a zero-emission heavy-duty, eight-ton pilot program.” The 2025-2026 General Appropriations Act, Senate Bill 1735, subsequently extended the funding for the Program to June 30, 2026.

The Program offers rebates to eligible applicants for eligible vehicles operating in ozone non-attainment areas and/or areas where vehicle emissions testing is required. To receive a rebate, eligible applicants must receive delivery of an eligible vehicle, submit an administratively complete application by June 15, 2026, and bring the vehicle to ADEQ’s offices in Tucson or Phoenix for a vehicle inspection within 10 days of receiving a notice of administratively complete application. Rebates will be awarded based on order of an approved application and inspection until June 30, 2026 or whenever funds are depleted, whichever comes first.

Program Overview

Below is a summary of the key elements of the Program. For detailed terms and conditions, see Section 2 TERMS AND CONDITIONS.

Eligible Vehicle. To be eligible to receive a Rebate, the Applicant’s Vehicle must meet the following criteria:

- A. The Vehicle must be purchased new, by the Applicant, in a commercial sale consummated on or after the Program Start Date (March 3, 2026), from the manufacturer or a licensed dealer. Leased vehicles and vehicles purchased via private sales are not eligible.
- B. The Vehicle must be a Class 5 Heavy Duty Vehicle, with Gross Vehicle Weight Rating (GVWR) between 16,001-19,500 pounds¹
- C. The Vehicle must be an all-battery electric Vehicle with no tailpipe emissions, not a hybrid battery-combustion or fuel cell Vehicle.
- D. The Vehicle must be purchased and physically delivered to the Applicant **BEFORE** the Application submittal.

¹ 49 C.F.R. § 565.15 Table II (2024) (defining "Class 5" as "Greater than 7,257 kg to 8,845 kg (16,001–19,500 lbs.)")

Eligible Applicants: Eligible Applicants are government entities (federal, State, local, or tribal), educational institutions (public and private), non-profit organizations, and for-profit companies registered with the Arizona Corporation Commission (no sole proprietors).

Vehicle Use Restriction: For two years after Rebate, the Vehicle must be used for business purposes only (travel primarily undertaken or necessary for business activities) and not for personal use.

Ownership, Registration, and Insurance: For two years after Rebate, the Vehicle must be owned and operated by the Applicant, registered in Arizona and insured.

Area of Operation Restriction: For two years after Rebate, the Applicant must primarily operate (75% or more of miles driven), the Vehicle in ozone non-attainment areas and/or areas where vehicle emissions testing is required. These areas include the following zones defined as ZEV-1, -2, and -3 and are shown on ADEQ's Heavy Duty Zero Emissions Vehicle Travel Zones [eMaps](#)² and are included in Appendix A: Map of Operating Zone Restriction:

- ZEV-1: Yuma
- ZEV-2: Phoenix Metropolitan Area, including Maricopa County, parts of Pinal County, and parts of Yavapai County
- ZEV-3: Tucson Metropolitan Area

Recordkeeping and Other Obligations. Applicants must maintain records for five years after Rebate, documenting compliance with the Program, including ownership, mileage, area of operation, registration, and insurance. The Applicant must notify ADEQ before moving to a new ZEV zone. Applicants must also comply with State-required contractual obligations including non-discrimination and immigration requirements, including E-Verify.

Rebate Amount: One \$50,000 rebate is available, for one eligible Vehicle, per Applicant.

Application Process and Vehicle Inspection: Applications must be submitted no later than June 15, 2026. ADEQ will review applications for completeness and eligibility. ADEQ will notify applicants as to whether their application is administratively complete, incomplete or denied. Once an application has been administratively approved, ADEQ will contact the Applicant to schedule an in-person inspection of the Vehicle. If the Vehicle passes inspection, ADEQ will award the rebate, subject to the availability of funds.

² Arizona Department of Environmental Quality, Heavy Duty Zero Emissions Vehicle Travel Zones eMaps, available at <https://arcg.is/bHinH>

Priority of Awards: Priority will be based on the order in which applications are received. Only administratively complete applications will be processed. Incomplete applications may be resubmitted but will not be used to establish priority. If an approved applicant does not schedule and complete a vehicle inspection within 10 days of the administratively approved application, priority will be given to other approved applicants who complete inspections.

Terms & Conditions: The Applicant must comply with Terms and Conditions in the Rebate Agreement. See Section 2 TERMS AND CONDITIONS.

Summary of Key Steps for Rebate Consideration

1. Purchase an eligible Vehicle on or after March 3, 2026 and receive delivery of that Vehicle by June 15, 2026.
2. Submit an Administratively Complete Application, including all required documentation, by June 15, 2026. The submittal **MUST** contain all the pages of this document.
3. Receive notice from ADEQ that the Application is considered Administratively Complete for all review purposes and the Vehicle can be scheduled for inspection.
4. Schedule, complete, and pass a vehicle inspection within 10 days of receiving a notice of Administratively Complete Application at ADEQ's offices in Phoenix (1110 W. Washington St., Suite #160, Phoenix, AZ 85007) or Tucson (400 W. Congress St., Suite #433, Tucson, AZ 85701).
5. ADEQ will inform the Applicant if the Vehicle has successfully passed the inspection and the Application is formally approved.
6. After approval, register in the State Procurement Portal to receive a \$50,000 rebate, subject to availability of funds.

If you have questions, please contact zevpilot@azdeq.gov or call the Vehicle Emissions Program Customer Service at (602) 771-3950, (press 8) and state that you have a question about the Heavy Duty ZEV Pilot Program.

2 | TERMS AND CONDITIONS (TOC)

Definitions:

1. **“Application”** means a Rebate Application Form, as shown in Section 3 REBATE APPLICATION FORM, and Attachments, submitted to ADEQ by an Applicant.
2. **“Application Deadline”** means June 15, 2026, unless extended by the Program Officer, in writing.
3. **“Applicant”** means a person who applies to ADEQ for a Rebate.
4. **“Attachment”** means any item required to be submitted as part of an Application.
5. **“Agreement”** means the combination of this document, entitled Program Information and Rebate Application, including Section 1 HEAVY DUTY ZERO EMISSIONS VEHICLES PILOT PROGRAM OVERVIEW, Section 2 TERMS AND CONDITIONS, and Section 3 REBATE APPLICATION FORM, and Appendix A: Map of Operating Zone Restriction, the Application and its Attachments.
6. **“Administratively Complete”** means the Application contains all of the information, acknowledgments, and certifications requested in the Rebate Application Form, shown in Section 3 REBATE APPLICATION FORM, in the place where such information is requested, and all of the required Attachments, including Proof of Purchase, Proof of Delivery or Bill of Lading or other delivery documentation, Proof of Registration, Proof of GVWR, and Photos of the whole Vehicle, the Vehicle’s VIN tag and Odometer.
7. **“Business use”** means any travel that is primarily undertaken or necessary to conduct the Applicant’s business activities, including but not limited to obtaining or delivering goods, obtaining or providing services, attending business meetings, and transporting persons between worksites for business reasons. Business use does not include commuting to and from a place of employment or worksite, except for commuting to or from an offsite job location.
8. **“Data”** means recorded information, regardless of form or the media on which it may be recorded. The term may include technical data and computer software.
9. **“Days”** means calendar days unless otherwise specified.
10. **“Gratuity”** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
11. **“Incidental personal trips”** means de minimis detours or deviations from business use travel, for personal use, where the detour or deviation is no greater than the lesser of 5 miles, 10% of the length of a particular business trip, or, in aggregate with other incidental personal trips, 5% of the mileage accrued on the Vehicle since ADEQ inspected the Vehicle prior to issuance of the rebate.
12. **“Inspection Deadline”** means June 25, 2026, unless extended by the Program Officer, in writing.
13. **“Materials”** means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

14. **“Person”** means an individual, employee, officer, managing body, trust, firm, joint stock company, consortium, public or private corporation, including a government corporation, partnership, association or state, a political subdivision of this State, a commission, the United States government or any federal facility, interstate body or other entity.
15. **“Personal use”** means travel that is primarily undertaken or would not have been undertaken except to conduct activities other than the Applicant’s business activities, including but not limited to commuting, personal errands, personal meetings, recreational trips, and the business activities of businesses other than the Applicant. A detour or deviation from a personal trip, to conduct the Applicant’s business activity, shall not render the trip for business use, unless a special trip was otherwise necessary in the foreseeable future to conduct that business activity.
16. **“Program”** means the Heavy Duty Zero Emissions Vehicles Pilot Program, funded by H.B. 2897 and S.B. 1735, as described in the document entitled, Program Information and Rebate Application, which contains these terms and conditions.
17. **“Program Officer”** means the Air Quality Division Director, or his Designee.
18. **“Program Start Date”** means March 3, 2026.
19. **“Rebate”** means a \$50,000 awarded by ADEQ to an approved Applicant.
20. **“Services”** means the furnishing of labor, time or effort by an Applicant or Subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
21. **“State,”** when capitalized, means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona.
22. **“State Fiscal Year”** means the period beginning with July 1 and ending June 30.
23. **“Subcontract”** means any contract, express or implied, between an Applicant and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials or any Services required for the performance of the Agreement.
24. **“Subcontractor”** means a person who contracts to perform work or render Services to an Applicant or to another Subcontractor to make or furnish of Materials or Services required for the performance of the Agreement
25. **“Term of this Agreement”** means a two-year period following issuance of the Rebate.
26. **“Vehicle”** means the Vehicle for which an Applicant applies for and, if approved, receives a Rebate.
27. **“VIN”** means the 17-character Vehicle Identification Number, issued by the manufacturer for a vehicle.
28. **“Work”** means performance obligations required under this Agreement.

Eligibility & Restrictions

29. **Vehicle.** To be eligible to receive a Rebate, the Applicant’s Vehicle must meet the following criteria:

- A. The Vehicle must be purchased new, by the Applicant, in a commercial sale consummated after the Program Start Date, from the manufacturer or a licensed dealer. Leased vehicles and vehicles purchased via private sales are not eligible.
 - B. The Vehicle must be a Class 5 Heavy Duty Vehicle, with Gross Vehicle Weight Rating (GVWR) between 16,001-19,500 pounds³. The Vehicle must be an all-battery electric Vehicle with no tailpipe emissions, not a hybrid battery-combustion or fuel cell Vehicle.
 - C. The Vehicle must be paid for and physically delivered to the Applicant before Application submittal.
30. **Applicant.** The following Applicants are eligible to receive a Rebate:
- Government entities, including any federal, State, local, or tribal entity; and
 - Public or private educational institutions, non-profit organizations, and for-profit companies registered with the Arizona Corporation Commission. Sole proprietors are not eligible.
31. **Registration.** To be eligible to receive a Rebate, the Applicant must register the Vehicle, for the first time, in Arizona. The Vehicle must not have been registered in any other state or country, or by any other person, before Application submittal.
32. **Ownership.** During the Term of this Agreement, the Applicant must retain ownership of the Vehicle for two years after the rebate and may not lease the Vehicle or otherwise authorize another person or entity to use the Vehicle, other than the Applicant's employees, officers, directors, owners, or managers.
33. **Limitation on Use.** During the Term of this Agreement, the Vehicle shall be used for business use only and not for personal use, except for incidental personal trips.
34. **Area of Operation.** During the Term of this Agreement, the Applicant must primarily operate the Vehicle in ozone non-attainment areas and/or areas where -vehicle emissions testing is required, which include the following zones defined as ZEV-1, -2, and -3. Eligible zones are shown on ADEQ's Heavy Duty Zero Emissions Vehicle Travel Zones [eMaps](#)⁴ and Appendix A: Map of Operating Zone Restriction. For purposes of this paragraph, primarily operate in means to operate the Vehicle in the usual and ordinary course of business in an eligible ZEV zone, such that no more than 25% of the miles driven during the Term of this Agreement occur outside an eligible ZEV zone. Notification is required for a change in zone.
- ZEV-1: Yuma
 - ZEV-2: Phoenix Metropolitan Area, including Maricopa County, parts of Pinal County, and parts of Yavapai County
 - ZEV-3: Tucson Metropolitan Area

³ 49 C.F.R. § 565.15 Table II (2024) (defining "Class 5" as "Greater than 7,257 kg to 8,845 kg (16,001–19,500 lbs.)")

⁴ Arizona Department of Environmental Quality, Heavy Duty Zero Emissions Vehicle Travel Zones eMaps, available at <https://arcg.is/bHinH>

Obligations of Applicants

35. **Registration.** During the Term of this Agreement, the Applicant shall maintain current registration for the Vehicle in Arizona and shall not register the Vehicle in any other state or country.
36. **Insurance.** During the Term of this Agreement, the Applicant shall maintain automobile insurance on the Vehicle meeting at least the minimum coverage requirements under Arizona law.
37. **Records.** Under A.R.S. § 35-214, the Applicant shall retain and shall contractually require each Subcontractor to retain any and all Data and other “records” relating to the acquisition and performance of the Agreement, including records related to ownership, mileage, area of operation, registration, and insurance, for a period of five (5) years after the Term of this Agreement. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Applicant shall timely produce a legible copy of any or all such records, or, if requested, originals of such records, to ADEQ at its offices in Phoenix or Tucson.
38. **Vehicle Charging Station.** The Applicant is responsible for charging the Vehicle, the costs of charging the Vehicle, and obtaining access to an electric vehicle charging station.
39. **Change in Zone.** If the Applicant decides to operate the Vehicle in a zone other than the zone listed in its Application, the Applicant shall notify ADEQ before transferring the Vehicle to the new zone.
40. **Applicable Taxes, Fees, & Costs.** The Applicant shall be responsible for paying all applicable taxes, fees, and costs associated with the Vehicle, including expenses related to purchasing, registering, owning, operating, and insuring the Vehicle, such as sales tax, registration fees, and insurance.

Contract Administration and State-Required Terms

41. **Notices.** Notices to the Applicant required by this Agreement shall be made by the State to the Contact Person indicated on the Application. Notices to the State required by the Agreement shall be made by the Applicant to ADEQ via email at zevpilot@azdeq.gov. The Parties may change their respective contact persons by giving written notice to the other, via their currently designated contact.
42. **Audit.** Pursuant to A.R.S. § 35-214, at any time during the Term of this Agreement and five (5) years thereafter, the Applicant’s or any Subcontractor’s books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Agreement or Subcontract.
43. **Inspection:** The Applicant agrees to permit access, at reasonable times, for inspection of the Vehicle.
44. **Non-Discrimination.** The Applicant shall comply with State Executive Order Nos. 2023-09, 2023-01, 2009-09, and any and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act. The Applicant shall include these provisions in contracts with Subcontractors when required by Federal or State law.

45. **Advertising, Publishing and Promotion of Agreement.** The Applicant shall not use, advertise or promote information for commercial benefit concerning this Agreement without the prior written approval of the Program Officer.
46. **Federal Immigration and Nationality Act.** The Applicant shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the Term of this Agreement. Further, the Applicant shall flow down this requirement to all Subcontractors utilized during the Term of this Agreement. The State shall retain the right to perform random audits of the Applicant and Subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Applicant or any Subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to termination of the Agreement for default and suspension or debarment of the Applicant.
47. **E-Verify Requirements.** In accordance with A.R.S. § 41-4401, the Applicant warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23- 214, Subsection A. A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the Agreement and the Applicant may be subject to penalties up to and including termination of the Agreement. The Department retains the legal right to inspect the papers of any employee who works on the Agreement to ensure that the Applicant or subcontractor is complying with this warranty.
48. **Forced Labor.** Applicant certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

Application, Inspection, and Rebate Issuance

49. **Timing of Application Submittal.** The Application must be submitted after purchase and delivery of the Vehicle, on or after the Program Start Date, and before the Application Deadline.
50. **Completeness Requirement.** Only Administratively Complete applications will be processed. Applicants may re-submit an incomplete Application.
51. **Inspection Requirement.** To obtain a Rebate, an approved Applicant must first schedule and pass a physical inspection of the Vehicle at ADEQ's offices in Phoenix (1110 W. Washington St., Suite #160, Phoenix, AZ 85007) or Tucson (400 W. Congress St., Suite #433, Tucson, AZ 85701), to confirm that the Vehicle is eligible and that the information submitted in the Application is accurate. Upon request, ADEQ may consider an alternate inspection location on the basis of unique circumstances and demonstrated hardship.
52. **Rebate Distribution.** To receive a Rebate, an approved Applicant must create an account in the Arizona Procurement Portal Account (<https://app.az.gov>) after the Application is approved and the vehicle inspection is completed by ADEQ. The Applicant shall also have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

Availability and Priority of Rebates

53. **Rebates Subject to Funding.** In accordance with A.R.S. § 35-154, every payment obligation of the ADEQ under this Agreement, including the issuance of Rebates, is conditioned upon the availability of funds appropriated and allocated for the payment of such obligation. If funds are not appropriated, allocated and available or if the appropriation is changed by the legislature resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated by the ADEQ or any other agency of the State of Arizona at the end of the period for which funds are available. No liability shall accrue to ADEQ or any other agency of the State of Arizona in the event this provision is exercised, and neither the Department nor any other agency of the State of Arizona shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph. Rebates will be approved only until the funding lapse date of June 30, 2026 or, if funding is extended, until such later lapse date.
54. **Availability of Funds for the Next State Fiscal Year.** Funds are not presently available for this Program beyond the current State Fiscal Year, ending June 30, 2026. No legal liability on the part of the State may arise under this Agreement beyond the current State Fiscal Year, unless both (A) the legislature appropriates additional funds and/or extends the funding lapse date and (B) the Program Officer extends the Application and Inspection Deadlines, in writing.
55. **Priority of Awards:** Priority of awards will be based on the order in which Applications are received. Only administratively complete applications will be processed and considered for priority. If an approved Applicant does not complete an inspection within 10 days of receiving a notice of an administratively complete application, priority will be forfeited to approved Applicants who have completed inspections.

Contract Formation, Interpretation, Changes, and Delegation

56. **ADEQ's Authority to Contract.** ADEQ has authority to enter into this Agreement pursuant to A.R.S. § 41-2701 *et seq.* and A.R.S. §§ 49-104(A)(1)–(3), (6), (8), (10), (B)(2), (5).
57. **Applicant's Acceptance of Terms.** By applying, the Applicant accepts ADEQ's offer to enter into this Agreement, subject to the availability of funds and successful completion of vehicle inspection, and promises to comply with all applicable requirements, limitations, restrictions, terms, and conditions.
58. **Submitter's Authority to Bind Applicant.** Each Person who submits an Application on behalf of an Applicant represents and warrants that he or she is a duly appointed representative of the Applicant with authority to enter into this Agreement on behalf of the Applicant and to bind the Applicant to its terms.
59. **Arizona Law.** Arizona law applies to this Agreement including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Grant Statutes in Arizona Revised Statutes (A.R.S.) Title 41, Chapter 24, as applicable. ADEQ has obtained a waiver, from the Department of Administration, pursuant to A.R.S. § 41-2703, excusing compliance with Chapter 24's grant solicitation and award procedures.
60. **Implied Contract Terms.** Each provision of law and any terms required by law to be in this Agreement are a part of this Agreement as if fully stated in it.

61. **Order of Precedence.** In the event of a conflict in the provisions of the Agreement, the following shall prevail in the order set forth below:
1. Section 2 TERMS AND CONDITIONS and Appendix A: Map of Operating Zone Restriction;
 2. Section 1 HEAVY DUTY ZERO EMISSIONS VEHICLES PILOT PROGRAM OVERVIEW;
 3. Section 3 REBATE APPLICATION FORM;
 4. Application
 5. Attachments
 6. Any other documents referenced or included in the Agreement that do fall into one of the above categories.
62. **Relationship of Parties.** Neither party to this Agreement shall be deemed to be the employee or agent of the other party to the Agreement.
63. **Severability.** The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Agreement.
64. **No Parol Evidence.** This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
65. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
66. **Amendments.** This Agreement is issued under the authority of the Program Officer. The Agreement may be modified only through an amendment within the scope of the Agreement. Changes to the Agreement directed by a person who is not specifically authorized by the Program Officer in writing or made unilaterally by the Applicant are violations of the Agreement and of applicable law. Such changes, including unauthorized written Agreement amendments shall be void and without effect, and the Applicant shall not be entitled to any claim under this Agreement based on those changes
67. **Subcontracts.** The Applicant shall not enter into any Subcontract under this Agreement for the performance of this Agreement without the advance written approval of the Program Officer as described in Arizona State Procurement Office Standard Procedure 002. The Applicant shall clearly list any proposed Subcontractors and the Subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Agreement.
68. **Assignment and Delegation.** The Applicant shall not assign any right nor delegate any duty under this Agreement without the prior written approval of the Program Officer. The State shall not unreasonably withhold approval.

Risk and Liability

69. **Risk of Loss.** The Applicant shall bear all loss of conforming and nonconforming Materials, including the Vehicle, covered under this Agreement.
70. **Indemnification.**

- A. **Non-Public Agency Applicants.** The following indemnity shall apply unless the Applicant or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.
- To the fullest extent permitted by law, Applicant shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Applicant or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Applicant to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Applicant from and against any and all claims. It is agreed that Applicant will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of the Rebate, the Applicant agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Applicant for the State of Arizona.
- B. **Public Agency Applicants.** The following indemnity shall apply if the Applicant or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona:
- Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers. The State of Arizona, (ADEQ) is self-insured per A.R.S. 41-621.
- C. **Patent and Copyright.** The Applicant shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Agreement performance or use by the State of Materials furnished or work performed under this Agreement. The State shall reasonably notify the Applicant of any claim for which it may be liable under this

paragraph. If the Applicant is insured pursuant to A.R.S. § 41-621 and § 35-154, this paragraph shall not apply.

71. Force Majeure.

- A. Except for payment of sums due, neither the Applicant nor State shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes: acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authority, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. Force Majeure shall not include the following occurrences:
- I. Late delivery of equipment, Materials, or Services caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
 - II. Late performance by a Subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
 - III. Inability of either the Applicant or any Subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- B. If either the Applicant or State is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than within seven business days, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Agreement amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Agreement.
- C. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

72. Third Party Antitrust Violations. The Applicant assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern Materials or Services supplied by third parties to the Applicant, toward fulfillment of this Agreement.

73. Tax Indemnification. The Applicant and all Subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Applicant. The Applicant shall, and require all Subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including

transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

Warranties

74. **Applicant Personnel.** Applicant warrants that its personnel will perform their duties under the Agreement in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Agreement. Applicant further warrants that its key personnel will maintain any and all certifications relevant to their work, and Applicant shall provide individual evidence of certification to State's authorized representatives upon request.
75. **Compliance With Applicable Laws.** The Applicant shall maintain any and all applicable license and permit requirements. This requirement includes, but is not limited to, any and all State statutes that impact State contracts, regardless of whether those statutory references have been removed during the course of contract negotiations; this is notice to Applicants that the State does not have the authority to modify State law by contract.
76. **Intellectual Property.** The Applicant warrants that any Materials or Services provided do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Applicant is not and cannot reasonably be expected to be aware of the infringement or violation.
77. **Licenses and Permits.** The Applicant warrants that it will maintain all licenses required to fully perform its duties under the Agreement and all required permits valid and in force.
78. **Operational Continuity.** The Applicant warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Applicant's duties hereunder absent ADEQ's consent to such delegation.
79. **Lobbying Prohibition.** The Applicant warrants that it will disclose all lobbying activities, as defined in 40 Code of Federal Regulations (CFR) part 34 and A.R.S. § 41-1231, *et seq.*, to the State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. The Applicant shall obtain an equivalent warranty from all Subcontractors.
80. **Debarment, Suspension, U.S. Government Restricted Party Lists.** The Applicant warrants that it is not, and its Subcontractors are not, on the U.S. government's Denied Parties List, the Unverified List, the Entities List, the Specially Designated Nationals and Blocked Parties List, and neither the Applicant nor any Subcontractors are presently debarred, suspended, proposed for debarment or otherwise declared ineligible for award of federal contracts or participation in federal assistance programs or activities.
81. **False Statements.** The Applicant represents and warrants that all statements and information the Applicant prepared and submitted in its Application or as part of the Agreement documents are current, complete, true, and accurate. If the Program Officer determines that Applicant submitted an Application with a false statement, or makes

material misrepresentations during the performance of the Agreement, the Program Officer may determine that Applicant has materially breached the Agreement.

82. Survival of Rights and Obligations after Agreement Expiration or Termination.

- A. **Survival of Warranty.** All representations and warranties made by Applicant under the Agreement will survive the expiration or earlier termination of the Agreement.
- B. **Applicant's Representations and Warranties.** All representations and warranties made by the Applicant under this Agreement shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12- 529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
- C. **Survival of Performance Obligations.** The Applicant shall, in accordance with all terms and conditions of the Agreement, fully perform and shall be obligated to comply with all requests from ADEQ received by the Applicant prior to the expiration or termination hereof, unless otherwise directed in writing by the Program Officer.

Remedies and Termination

83. Right to Assurance. If the State in good faith has reason to believe that the Applicant does not intend to, or is unable to perform or continue performing under this Agreement, the Program Officer may demand in writing that the Applicant give a written assurance of intent to perform. Failure by the Applicant to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Agreement under rights and remedies available by law or provided by the Agreement.

84. Non-exclusive Remedies. The rights and the remedies of the State under this Agreement are not exclusive.

85. Nonconforming Performance. The Applicant's performance of obligations under this Agreement shall fully comply with the Agreement. Performance that does not fully comply constitutes a breach of this Agreement. On discovery of nonconforming performance, the State may terminate the Agreement for default under applicable termination clauses in the Agreement, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

86. Cancellation. In the event of cancellation, the Applicant shall return to ADEQ the full amount of the Rebate, within 30 days of ADEQ's written demand. Interest and penalties, if applicable, shall be due for any late payment, pursuant to A.R.S. § 49-113.

- A. **Conflict of Interest.** Pursuant to A.R.S. § 38-511, the State may cancel this Agreement within three (3) years after Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the State is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee of or a consultant to any other party to this Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when the Applicant receives written notice of the cancellation unless the notice specifies a later time. If the Applicant is a political subdivision of the State, it may also cancel this Agreement as provided in A.R.S. § 38-511.

- B. **Gratuities.** The State may, by written notice, terminate this Agreement, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Applicant or a representative of the Applicant to any officer or employee of the State with the purpose of influencing the outcome of an Application, an amendment to the Agreement, or favorable treatment concerning the Agreement, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the Gratuity offered by the Applicant.
 - C. **Suspension or Debarment.** The State may, by written notice to the Applicant, immediately terminate this Agreement if the State determines that the Applicant has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor of any public procurement unit or other governmental body. If the Applicant becomes suspended or debarred, the Applicant shall immediately notify the State.
87. **Termination for Default.** In addition to the rights reserved in the Agreement, the State may terminate the Agreement in whole or in part for due to the failure of the Applicant to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Agreement. The Program Officer shall provide written notice of the termination and the reasons for it to the Applicant. Upon termination under this paragraph, all documents, Data, and reports prepared by the Applicant under the Agreement shall become the property of and be delivered to the State on demand.
88. **Material Breach.** The following breaches shall be considered material:
- A. The Applicant sells or leases the Vehicle during the Term of this Agreement.
 - B. The Applicant violates the Limitation of Use restriction (under Eligibility & Restrictions).
 - C. The Applicant violates the Area of Operation restriction (under Eligibility & Restrictions).
 - D. The Applicant repeatedly breaches a term or condition of the Agreement, or breaches several terms or conditions of the Agreement, establishing a pattern of non-performance.
 - E. The Applicant fails to cure a non-material breach, within 30 days of ADEQ's written demand.

In the event of a material breach, ADEQ shall have the options of demanding that the Applicant cure the breach within a reasonable time and demanding forfeiture of the Rebate. If ADEQ notifies the Applicant that it is in material breach and offers an opportunity to correct, the Applicant shall promptly cure the breach, within any deadline set by ADEQ, and pay liquidated damages of \$200 per day for each term or condition violated, for each day of material breach, within 30 days of ADEQ's written demand. Otherwise, the Applicant shall return to ADEQ the full amount of the Rebate, within 30 days of ADEQ's written demand. Interest and penalties, if applicable, shall be due for any late payment, pursuant to A.R.S. § 49-113.

89. **Liquidated Damages for Non-material Breaches.** In the event of a breach that is not material, the Applicant shall promptly cure the breach after receiving notice from ADEQ, within any deadline set by ADEQ. The Applicant shall also pay to ADEQ liquidated damages of \$100 for each term or condition violated, for each day of violation, within 30 days of ADEQ's written demand. Interest and penalties, if applicable, shall be due for any late payment, pursuant to A.R.S. § 49-113.
90. **Manner of Payment.** All payments made to the State under this Agreement, including any interest payments, shall be made by cashier's check or money order payable to ADEQ and, together with a letter tendering the payment, shall be hand-delivered or mailed and postmarked, postage prepaid, to the following address:

Assistant Director, Business and Finance
Arizona Department of Environmental Quality
1110 W. Washington Street #160, Phoenix, AZ 85007
Attention: Accounts Receivable

In the alternative, payments may be made by wire transfer and notice given by email to accountsreceivable@azdeq.gov. Bank account and routing information used for payment by wire transfer will be provided upon request, by the ADEQ Assistant Director, Business and Finance (accountsreceivable@azdeq.gov; 602-771-4152), or their designee.

91. **Continuation of Performance Through Termination.** The Applicant shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.
92. **Protests and Appeals.** All protests, claims, appeals or controversies under this Agreement shall be resolved according to the protest and appeal procedures provided in A.R.S. § 41-2704 including, as applicable, the procedures defined in A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.
93. **Arbitration.** The parties to this Agreement agree to resolve all disputes arising out of or relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (A.R.S. Title 41).

Intellectual Property

94. **Rights In Work Product.** All intellectual property originated or prepared by the Applicant pursuant to the Agreement, including but not limited to, inventions, discoveries, intellectual copyrights, trademarks, trade names, trade secrets, technical communications, records reports, computer programs and other documentation or improvements thereto, including the Applicant's administrative communications and records relating to the Agreement, are considered work product and the Applicant's property, provided that, State has Government Purpose Rights to that work product as and when it was delivered to State.
95. **"Government Purpose Rights"** are the unlimited, perpetual, irrevocable, royalty free, non-exclusive, worldwide right to use, modify, reproduce, release, perform, display, sublicense, disclose and create derivatives from that work product without restriction for any activity in which State is a party; the right to release or disclose that work product to third parties for

any State government purpose; and the right to authorize those to whom it rightfully releases or discloses that work product to use, modify, release, create derivative works from the work product for any State government purpose; such recipients being understood to include the federal government, the governments of other states, and various local governments.

96. **“Government Purpose Rights”** do not include any right to use, modify, reproduce, perform, release, display, create derivative works from or disclose that work product for any commercial purpose, or to authorize others to do so.
97. **Joint Developments.** The Applicant and State may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Agreement, and may do so at their respective discretion, without obligation of notice or accounting to the other party.
98. **Pre-existing Material.** All pre-existing software and other Materials developed or otherwise obtained by or for the Applicant or its affiliates independently of the Agreement or applicable Purchase Orders are not part of the work product to which rights are granted State under ¶ 95 (Government Purpose Rights), and will remain the exclusive property of the Applicant, provided that any derivative works of such pre-existing Materials or elements thereof that are created pursuant to the Agreement are part of that work product; any elements of derivative work of such pre-existing Materials that was not created pursuant to the Agreement are not part of that work product; and except as expressly stated otherwise, nothing in the Agreement is to be construed to interfere or diminish the Applicant’s or its affiliates’ ownership of such pre-existing Materials.
99. **Property of the State.** If there are any materials that are not covered by this subsection (Intellectual Property) created under this Agreement, including but not limited to, reports and other deliverables, these materials are the sole property of the State. The Applicant is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Applicant shall not use or release these materials without the prior written consent of the State.

3 | How To Submit and Rebate Application Form

How to Submit

An Administratively Complete* application must be submitted between March 3, 2026, and before the Application deadline on June 15, 2026.

Step 1 | Read the Terms and Conditions (TOC) located on pages **5** to **18**.

Step 2 | Complete the entire Rebate Application Form, then, review your application for completeness, and have **ALL** the required documentation from Section 4 of the Rebate Application Form.

Step 3 | An email is required in order to submit. Send an email to zevpilot@azdeq.gov and attach the following:

- This PDF document (**ALL** pages, not just the Rebate Application Form)
- Plus **ALL** your documents and photos from section 4 of the application

If you are unable to send the application electronically, please send it by mail to:

Arizona Department of Environmental
Quality Attn: AQD | VEC - ZEV Pilot Program
1110 W. Washington Street, Suite #160
Phoenix, AZ 85007

***NOTE:** For your application to be considered “Administratively Complete“ upon your submission to ADEQ, **ALL information** in the Rebate Application Form and **ALL required documents/photos should be accurate and complete, and your submittal must contain ALL pages of this document, not just the Rebate Application Form pages.**

Section 1 | Applicant Information

Instructions: You must fill out this section completely to qualify for rebate consideration.

Entity Name: _____

Type (Select one)

- Government (Federal, State, local or Tribal);
- Educational Institutions (public and private)
- Non-profit Organizations;
- Profit Businesses

Arizona Corporation Commission Entity ID No.: _____

(Put N/A for government entities)

E-Verify Registration Number: _____

Contact Person:

First Name: _____

Last Name: _____

Mailing Address:

Address Line 1: _____

Address Line 2: _____

City: _____ State: _____ ZIP Code: _____

Phone Number: _____

Email Address: _____

Section 2 | Vehicle Information

Instructions: You must fill out this section completely to qualify for rebate consideration

Make: _____ **Model:** _____ **Year:** _____

Gross Vehicle Weight Rating (GVWR): _____ (pounds)

Application Continues to Next Page >>>

Section 2 | Vehicle Information Continued

Vehicle Identification Number (VIN): _____

Total Vehicle Price : _____

NOTE: Includes the purchase price plus all other mandatory costs, including: sales tax; title and registration fee; documentation (doc) fees; any other dealer-installed options or add-ons; and interest charges if financed.

Seller Type (Select one):

Directly from Manufacturer

Dealer:

Dealer License No. _____

Manufacturer/Dealer Name: _____

Manufacturer/Dealer Address:

Address Line 1: _____

Address Line 2: _____

City: _____ State: _____ ZIP Code: _____

Manufacturer/Dealer Address Phone Number: _____

Date of Vehicle Purchase: / /
MM/DD/YYYY

Date of Vehicle Delivery: / /
MM/DD/YYYY

Address Where Vehicle is Registered:

Address Line 1: _____

Address Line 2: _____

City: _____ State: _____ ZIP Code: _____

Area the Vehicle will be primarily Operated (Select One)

ZEV-1 (Yuma)

ZEV-2 (Phoenix Metro)

ZEV-3 (Tucson Metro)

Application Continues to Next Page >>>

Section 3 | Certifications

Instructions: For this section, you must truthfully mark “Yes” for each question to qualify for rebate consideration.

1. Have you, as the person submitting the application, read and reviewed all subsections and paragraphs of Section 2 TERMS AND CONDITIONS (TOC)? Yes
2. Does the Applicant agree not to sell or lease the Vehicle for two years after Rebate, as required by paragraph 32 of the TOC? Yes
3. Does the Applicant agree to use the Vehicle for business use only, except for incidental personal trips, as required by paragraph 33 of the TOC? Yes
4. Does the Applicant agree to maintain registration in Arizona and State required minimum insurance, as required by paragraphs 35–36 of the TOC? Yes
5. Does the Applicant agree to comply with paragraphs 44–48 of the TOC concerning discrimination, advertising, immigration, and forced labor? Yes
6. Does the Applicant warrant that it is not currently a suspended or debarred contractor or subcontractor of any public procurement unit or other governmental body, as required by paragraph 80 of the TOC? Yes
7. Does the Applicant understand that it may be required to return the full amount of the rebate if this agreement is canceled for a conflict of interest, gratuities, or contractor suspension or debarment, as specified in paragraph 86 of the TOC? Yes
8. Does the Applicant understand that it may be required to return the full amount of the rebate if it, within two years of Rebate, sells or leases the Vehicle, uses the Vehicle for personal use, violates the Area of Operation restriction, violates multiple requirements of the TOC, or fails to timely cure a violation of the TOC, as specified in paragraph 88 of the TOC? Yes
9. Does the Applicant agree to the arbitration clause contained in paragraph 93 of the TOC? Yes

Application Continues to Next Page >>>

Section 4 | Required Documentation and Photos

Gather, scan (if not already digital files) the required documentation for the following:

- Proof of Purchase
- Proof of Delivery or Bill of Lading or other delivery documentation
- Proof of Vehicle Registration
- Proof of Eligible GVWR

Note: The GVWR on the VIN tag must match the GVWR provided on this form

- Photos of the Vehicle:
 - Photo(s) of the front, left, right, back and at **least one of the entire vehicle**
 - Photo of the actual VIN Tag
 - Photo of the Odometer

Application Continues to Next Page >>>

Section 5 | Review Sign and Date

The Rebate Application Form must be signed by an individual legally authorized to act on behalf of the Applicant in conducting all official business relating to the Pilot Program. By signing this certification and submitting a rebate application package, you certify that you have the authority to act on behalf of the Applicant to enter into this Agreement and to bind the Applicant to its terms. You further certify that you have read TERMS AND CONDITIONS (Section 2 of this document), that you agree with the statements contained herein, and that the Applicant will comply with this Agreement in its entirety, including all of its terms and conditions.

Applicant Full Name: _____

Authorized Representative:

Full Name: _____

Title: _____

Signature:

X _____

By typing your name, you are officially signing

Date: ____/____/____

MM/DD/YYYY

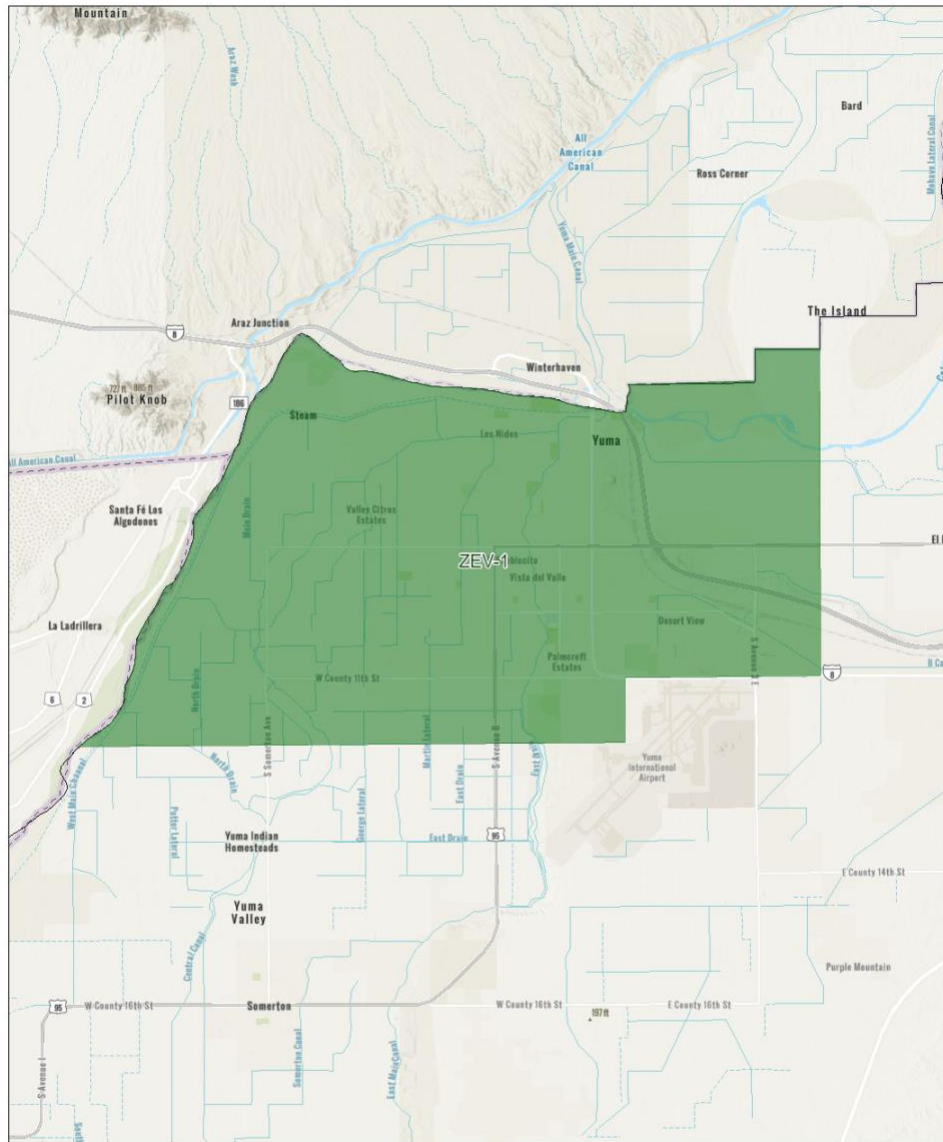
See Page 19 for “How to Submit”>>>

Appendix A: Map of Operating Zone Restriction

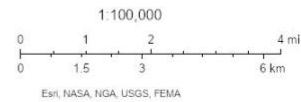
Appendix A: Map of Operating Zone Restriction ZEV-1: Yuma

Found online at: <https://arcg.is/bHInH>

ZEV-1) Yuma



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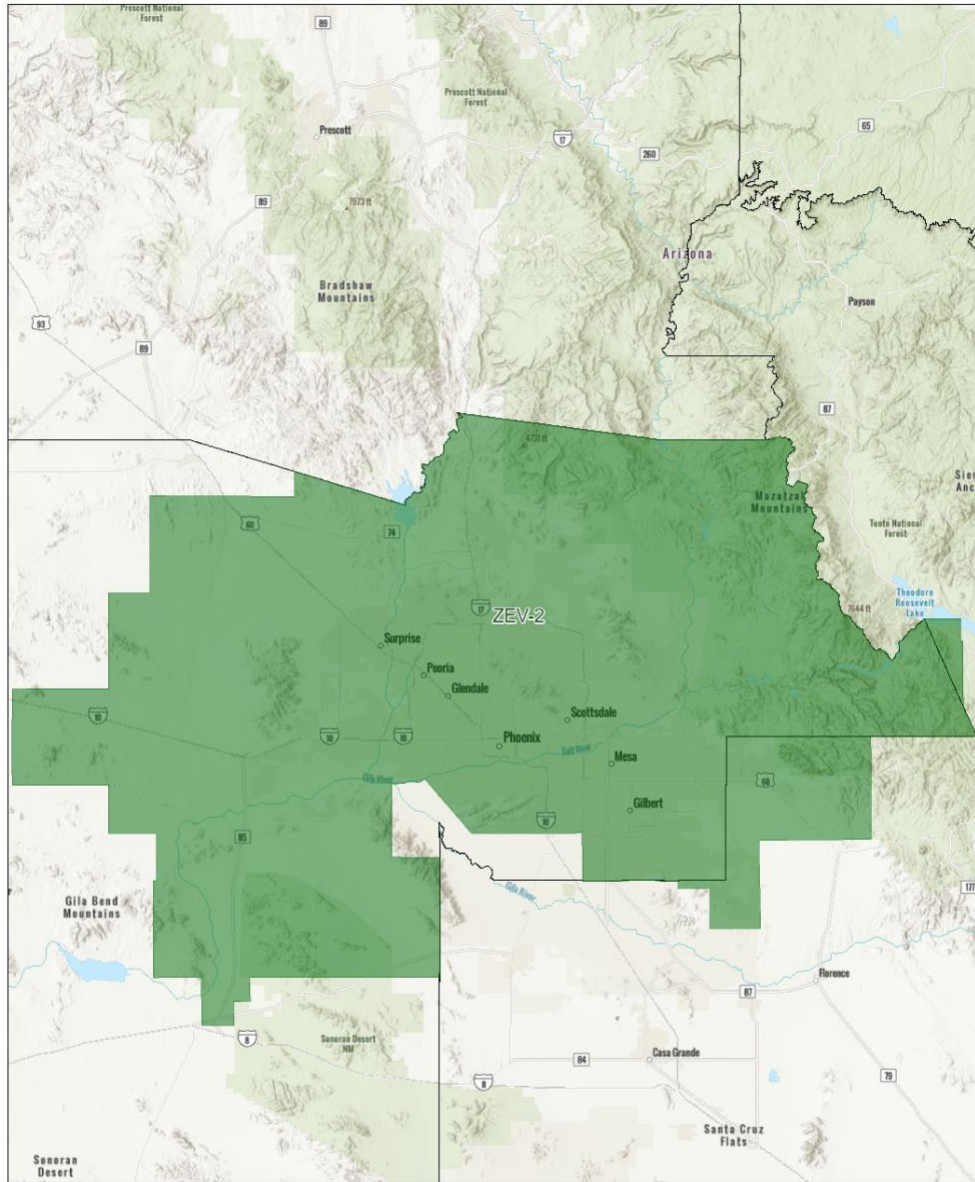


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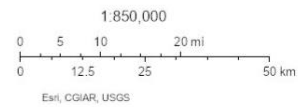
Appendix A: Map of Operating Zone Restriction ZEV-2: Phoenix Metropolitan Area

Found online at: <https://arcg.is/bHinH>

ZEV-2) Phoenix Metropolitan Area



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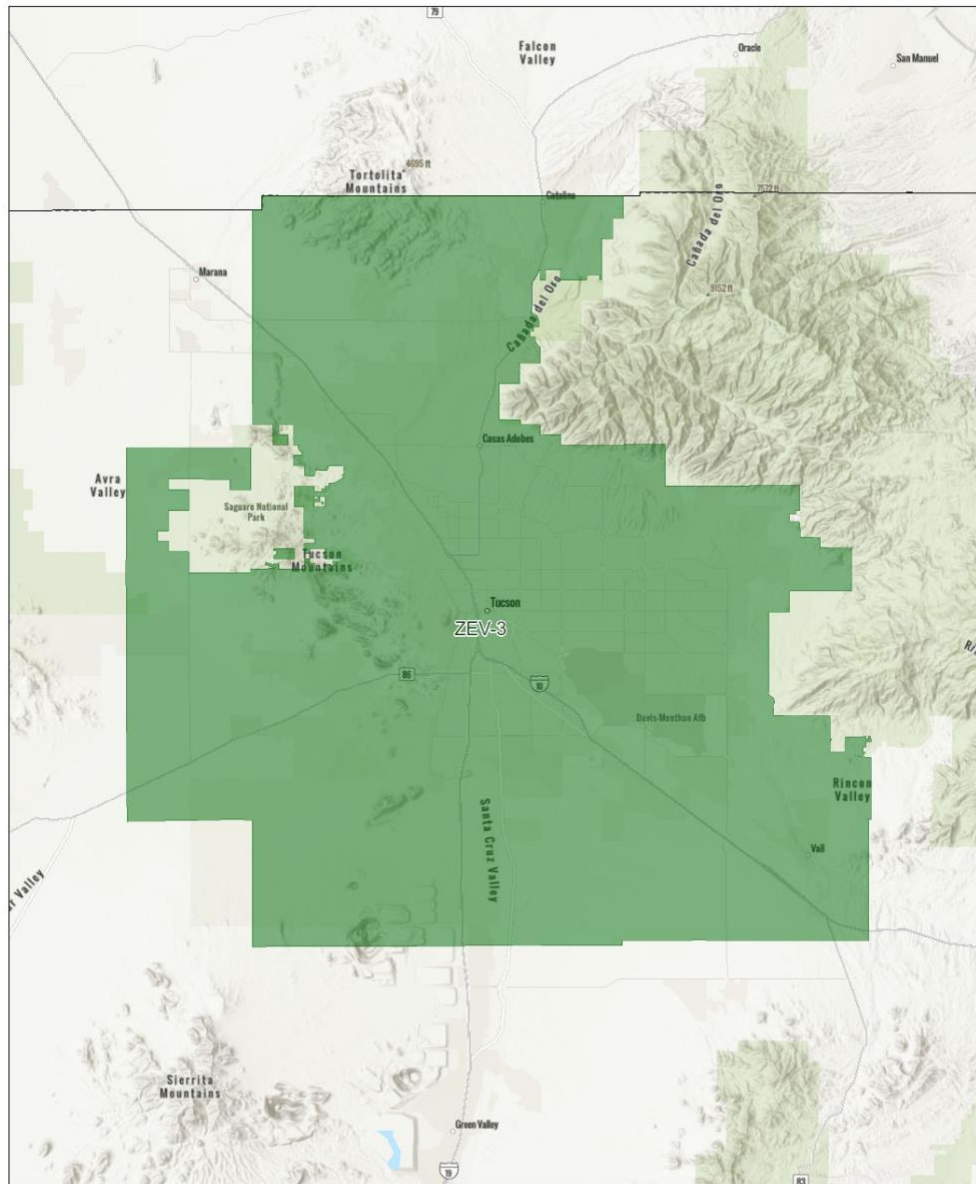


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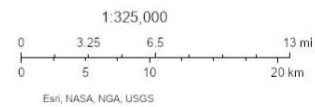
Appendix A: Map of Operating Zone Restriction ZEV-3: Tucson Metropolitan Area

Found online at: <https://arcg.is/bHInH>

ZEV-3) Tucson Metropolitan Area



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