FREQUENTLY ASKED QUESTIONS ON THE VIRGINIA RETURN TO EARN GRANT PROGRAM

1. What is the Virginia Return to Earn Grant Program?

Unemployed Virginians are facing a variety of childcare, transportation, and other barriers to returning to the workforce while some small businesses are struggling to find workers. To support Virginians in their transition back to employment, Governor Ralph Northam will invest $3 million to pilot the Return to Earn Grant Program.

The pilot initiative will match up to $500 that a qualifying small business pays directly to a new employee hired on or after May 31, 2021 to support their transition back to employment. Funds will only be reimbursed for new hires in positions that pay at least $15 per hour and qualify as W-2 employment, either full- or part-time. Qualifying small childcare businesses, who may be facing particularly challenging workforce shortages, may qualify for up to $500 per new hire without the requirement to match.

The Return to Earn Grant Program is 100% funded through a U.S. Department of Labor Workforce Innovation and Opportunity Act (WIOA) grant. The total cost of the program is $3 million. This is a reimbursable grant; costs must be incurred before payment is made to employers. Employers may not receive funding support for the same positions from multiple Local Workforce Development Areas.

"Return to Earn" is the official title and brand for this program as established by the Governor. In all communication materials, Local Workforce Development Boards must refer to the official title "Return to Earn".

2. Which small businesses are eligible for funds through the Return to Earn Grant Program?

A business must have fewer than 100 employees and be incorporated in Virginia. The employee count is the sum of the business's employees across all Virginia locations.

Qualifying childcare businesses, who may be facing particularly challenging workforce

shortages, are eligible for 100 percent reimbursement for up to $500 per new hire. This means that no match is required from the childcare business to receive funding for new hires through the grant program.

3. **What qualifies as a "child care business"?**

    A child care business may be a sole proprietorship, partnership or corporation, with services delivered in home- and/or center-based settings. These businesses may be licensed or legally exempted from licensing by the state.

4. **Which job positions are eligible for funds through the Return to Earn Grant Program?**

    Funds will only be reimbursed for new hires in positions that pay at least $15 per hour and qualify as W-2 employment, either full- or part-time. Individuals must attest that they are not currently employed in another W-2 position.

5. **Is there a limit to the number of new hires eligible for reimbursement through the Return to Earn Grant Program?**

    Yes, qualifying small businesses are eligible for a match of up to $500 per new hire for up to 25 new employees. These must have been hired on or after May 31, 2021.

6. **How can Return to Earn funds be used?**

    Funds are only reimbursable through the Return to Earn Grant Program if they are provided by a qualifying small business directly to a qualifying new hire, either as a lump sum or in installments to offset the ongoing costs of childcare, transportation, or other barriers to re-employment.

7. **How should a qualifying small business apply for reimbursement of funds through the Return to Earn Grant Program?**

    For additional information on requirements and to apply for grant funding, small businesses should contact their local [workforce development board](). Funds will only be reimbursed once they have been fully paid to the new hire.

8. **This program matches up to $500 provided to a new hire to support their re-employment, for a total of $1000. If I am a qualifying small business, can I give the new hire a stipend that is more than $1000?**

Yes, it is at the discretion of the employer as to how much is provided to the new employee. The Return to Earn Program will reimburse for 50 percent of the funds provided but only up to $500 per new hire. Childcare businesses will receive 100 percent reimbursement for up to $500 per new hire.

9. How is the initial $3 million in funding for the Return to Earn Grant Program being allocated across the Commonwealth? What happens if the money runs out?

Grant funds will be allocated across Virginia's [workforce development areas](#) proportional to the number of current continuing unemployment insurance claims in each region. The initial launch of this program will be funded through Virginia's federal Workforce Innovation and Opportunity Act (WIOA) set aside and additional recovery funds may be allocated based on demand.

10. What other strategies is the Commonwealth employing to support people with their return to work and ensure that employers have the workforce they need to fuel Virginia's economic recovery?

The launch of the new Return to Earn Grant Program coincides with the reinstatement of the Virginia work search requirement beginning the week of May 31, 2021. Virginians receiving unemployment benefits must make contact with employers each week and accept reasonable offers of employment. On June 1, the Commonwealth reopened its [Virginia Career Works Centers](#) for in-person services to ensure that Virginians making the transition back to the workforce have access to the resources they need to find a high-quality job. Jobseekers can continue to access resources virtually through the [Virginia Career Works Referral Portal](#).

11. Does the $15 per hour minimum pay rate include Tips that are on employees W-2 for which employers pay employer tax?

Yes, Funds will only be reimbursed for new hires in positions that pay at least $15 per hour and qualify as W-2 employment, either full- or part-time. This includes tipped employees if their base rate plus tips equals $15 per hour or more.

12. Are business franchises eligible for the Return to Earn Initiative?

Yes, franchises with a separate business id do qualify for the Return to Earn Initiative if the total number of employees is fewer than 100.