

*A research study published by a university in Texas surveyed employer attitudes toward hiring ex-offenders. Only 12% said they were willing to hire these applicants; however, 51% said they would hire ex-offenders if they were bonded.*

*-The Prison Journal*

*New York State found that having a job helps prevent a parolee from returning to prison. The fact is that 89% of persons who violated parole were unemployed at the time.*

*-New York State  
Department of Labor*

*Texas found that bonding and other services for releases from its State prisons saved the State \$10 million annually, and made tax payers out of tax users.*

*-Casper Council Meeting  
Casper, Wyoming*

*A study found that released felony offenders with histories of alcohol and drug offenses were able to be helped to secure employment by offering employers bonding as job-hire incentive.*

*-U.S. Department of Justice*

The Federal Bonding Program  
is sponsored by the U.S.  
Department of Labor and  
administered by the SC  
Department of Employment  
and Workforce

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The Federal Bonding  
Program

*A unique  
tool to help  
high-risk  
applicants get  
and keep  
a job*

## THE FEDERAL BONDING PROGRAM

The Federal Bonding Program provides Fidelity Bonding insurance coverage to high-risk individuals. It is sponsored by the U.S. Department of Labor, and administered by the South Carolina Department of Employment and Workforce. This insurance policy protects the employer in case of loss of money or property due to employee dishonesty. It is like a "guarantee" to the employer that the person hired will be an honest worker.

### HOW DOES THE BOND HELP SOMEONE OBTAIN EMPLOYMENT?

This bond is given to the employer free-of-charge, and serves as an incentive for the company to hire a job applicant who is an ex-offender, or has some other high-risk factor in their personal background. The employer is then able to utilize the worker's skills without taking a risk of the worker's dishonesty on the job.

### ARE THERE RESTRICTIONS IN THE PROGRAM'S COVERAGE?

The worker must meet the legal age for working. Workers must be paid wages with Federal taxes automatically deducted from pay. Self-employed persons cannot be covered.

### WHO DOES THE PROGRAM HELP?

Bond coverage is provided for any individual

whose background usually leads employers to question their honesty and deny them a job. Program coverage includes any person who is considered high-risk due to their being in one or more of the following groups:

- ex-offenders with a record of arrest, conviction, or imprisonment; anyone who has ever been on parole or probation, or has any police records
- ex-addicts who have been rehabilitated through treatment for alcohol or drug abuse
- persons with poor personal credit records or those who have declared bankruptcy
- persons lacking a work history who are in low income families
- persons dishonorably discharged from the military
- anyone else who needs the bond in order to get a job

Employed workers who need bonding in order to prevent being laid off, or to secure a promotion to a new job in the company are also eligible.

### WHO MUST REQUEST THE FIDELITY BOND?

Before a bond can be issued, the applicant must

receive a job offer and the employer must schedule a date to start work. The employer of the job applicant should make contact with the nearest South Carolina Department of Employment and Workforce Center.

### CAN THE BOND BE ISSUED AT ANY TIME?

The job start date will be the effective date of the bond insurance which will terminate six months later. After six months, continued coverage will be made available for purchase, if the worker has exhibited job honesty under the program's bond. The employer signs no paper, and keeps no special records since the bond is self-terminating. The bond is mailed directly to the employer by the McLaughlin Company in Washington, D.C.

### HOW MUCH BOND INSURANCE WILL BE ISSUED?

A total of \$5,000 coverage is usually issued, with no deductible amount of liability for the employer. Larger bond amounts may be provided if it is determined that a larger amount is appropriate.



*For more information, visit your local Workforce Center. To find the location of the center nearest you, visit the South Carolina Department of Employment and Workforce at [www.dew.sc.gov](http://www.dew.sc.gov).*