

WORKFORCE DEVELOPMENT DIVISION
Workforce Policy and Service Delivery Branch
Technical Assistance Bulletin 268

Program: All Programs

Subject: Fidelity Bonding Services and Marketing Tools

Date: June 18, 2014

This Technical Assistance (TA) Bulletin provides Local Workforce Development Boards (Boards) with information on fidelity bonding services and marketing tools.

The Texas Workforce Commission, in collaboration with Boards, offers free fidelity bonding, a unique job placement tool that provides insurance to guarantee job honesty and serves as an effective employer incentive for hiring hard-to-place job seekers with criminal or other questionable background issues.

What Is Fidelity Bonding?

- Fidelity bonding protects an employer against loss due to employee dishonesty, including theft, forgery, larceny, and embezzlement.
- Bonds are issued up to \$5,000 for certain at-risk applicants.
- Fidelity bonding is an incentive to the employer to hire an at-risk applicant.
- Bonds are issued at no cost to the employer, with no deductible.
- Fidelity bonding indemnifies a single, specific employer-employee relationship.
- Free fidelity bonding coverage is provided for a six-month period; thereafter, if no claim is made against the bond, it can be renewed through the regular commercial network.

Note: Fidelity bonding is not a surety bond or performance bond (commonly required of contractors and self-employed individuals) or insurance for self-employed individuals.

Eligibility for Bonding Services

At-risk job seekers eligible for fidelity bonding services include the following:

- Ex-offenders, including individuals with records of arrest, probation, or any police record
- Individuals with poor credit histories, including bankruptcy
- Veterans dishonorably discharged from the military
- Public assistance recipients
- Individuals with a substance abuse history
- Disadvantaged youth who lack a work history
- Anyone who cannot secure bonding through the regular commercial system

Attachments 1 and 2 to this TA Bulletin are provided for use in marketing fidelity bonding services to job seekers and employers.

For more information on fidelity bonding or to submit a request on behalf of an at-risk job seeker who has secured a job opportunity requiring fidelity bonding, see WD Letter 20-14, issued June 18, 2014, and entitled “Fidelity Bonding Services.”

Direct inquiries regarding this TA Bulletin to wfpolicy.clarifications@twc.state.tx.us.

RESCISSIONS:

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