

FEDERAL BONDING PROGRAM

Fidelity Bonding Demonstration Grant

10/4/2023



This program is 100% funded by the U.S. Department of Labor, Employment & Training Administration, through awards totaling \$25,000.

Purpose

- Improve employment outcomes for justice-involved individuals by using bonds as a hiring tool to encouraging employers to hire justice-involved individuals.
- Give employers the peace of mind that they can safely provide all individuals job opportunities with limited risk.
- Outreach about the availability and benefits of fidelity bonds.

FIDELITY BOND

A form of insurance protection that covers the policyholder/employer for a loss caused by a one-time act of dishonesty of a specific employee, such as theft, forgery, and embezzlement.

COVERAGE & ELIGIBILITY

- Each bond provides \$5,000 of coverage
- The max amount of coverage that can be requested is \$25,000 (equivalent to 5 bonds)
 - *\$5,000 is generally sufficient to cover most circumstances.*
- Bonds in excess of \$5,000 should be limited to positions where the employer may lose more than \$5,000 in money or property at one time (reasonable justification is needed).
- Bonds are not transferable.

COVERAGE & ELIGIBILITY

- Bonds are issued for a six-month period.
- After the six months, if no claim is paid, the employer may request another six-month bond at regular commercial rates.
- After a bond is issued, the bond is mailed directly to the employer.

COVERAGE & ELIGIBILITY

- Individuals who are un-bondable through the regular commercial bonding system because of their criminal record.
- Employee/Worker must be 18 years or older and must be paid wages with Federal taxes automatically deducted from their pay.
- Individuals hired by temp agencies (Self-employed individuals) cannot be covered.
- Employer must make a job offer with a scheduled start date of work.

PROCEDURES

How are bonds issued?

- Employer makes a job offer with a scheduled start date of work for the individual (Federal taxes automatically deducted from pay).
- Fill out and submit "Requesting a Bond" form.

Who can fill out and submit the "Requesting a Bond" form?

- AJCH, an AJCH partner, an employer, or by an agency that provides job/career services to justice-involved individuals.

PROCEDURES

Where and how does the "Requesting a Bond" form get submitted?

- By e-mail or U.S. Postal Service to:

DLIR Workforce Development Division

830 Punchbowl Street, Room 329

Honolulu, HI 96813

E-mail: dlir.workforce.develop@hawaii.gov

WEBSITE

for Federal Bonding Program

Bonds4Jobs.com

This website is for the regular Federal Bonding Program. DLIR, WDD's Federal Bonding Program is currently operating under a demonstration grant for justice-involved individuals, including justice-involved individuals who are recovering from opioid and other drug addictions

Contact Information

For questions, please contact DLIR,
Workforce Development Division

Email: dliir.workforce.develop@hawaii.gov

Phone: (808) 586-8877

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