



New York State
Department of Labor
Division of Employment and Workforce Solutions
Phone: (518) 485-2151
Fax: (518) 485-2577

Federal Bonding Program Information

Summary of Program

The Federal Bonding Program:

- Is a business insurance policy
- Protects the employer from any loss of money or property due to dishonest workers

Eligibility

- Covers any full- or part-time position for any employer
- Employment with temporary agencies must be:
 - long-term temporary positions, six-months or longer
 - temporary-to-permanent positions

Target Groups

- People with poor credit
- People who declared bankruptcy
- Welfare recipients
- Ex-offenders
- Recovering substance abusers (alcohol, drug abuse)
- Economically disadvantaged youth
 - includes summer youth working for State and/or local government programs
- People who lack a work history
- People with a dishonorable military discharge

- **The Federal Bonding Program does not cover people who are self-employed.**

Bond Amounts

- \$5,000, \$10,000, \$15,000, \$20,000 or \$25,000
- Bonds above \$5,000 must have
 - justification
 - approval by the State Bonding Coordinator

Duration of Bond

- Free-of-charge to the employer for six months
- Employer can maintain coverage after the first six-months
 - The cost is \$95 for each \$5,000 bond.

Effective Date of Coverage

- Takes effect the day the employee begins work
- The Travelers Casualty and Surety Company of America mails the bond directly to the employer.
 - Issued through the McLaughlin Co., Washington, DC

Cost

- The State Department of Labor pays all costs for the first six months.

How to Apply

- Apply at any One-Stop Career Center.
- For a list of offices, go to <http://www.labor.ny.gov/workforcenypartners/osview.asp>.

More Information

- Call the State Bonding Coordinator at (518) 485-2151.