



**NEW YORK STATE
DEPARTMENT OF LABOR
DIVISION OF EMPLOYMENT AND WORKFORCE SOLUTIONS**
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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 all any full or part-time positions for any employer
- Employment with temporary agencies must be:
 - ✓ long-term temporary positions that are six-months or longer in length; and
 - ✓ temporary-to-permanent positions

TARGET GROUPS

- People with poor credit
- People who have declared bankruptcy
- Welfare recipients
- Ex-offenders
- Recovering substance abusers (alcohol and/or drug abuse)
- Youth who have participated in any State- or local-operated summer or year-round youth program
- People who lack a work history
- People with a dishonorable discharge from the military
- **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 for requesting a higher amount; and
 - ✓ prior approval by the State Bonding Coordinator

DURATION OF BOND

- Free-of-charge to the employer for six months
- Employer has the option to purchase continued coverage after the first six-months

EFFECTIVE DATE OF COVERAGE

- Takes effect the day the employee begins work
- Travelers Insurance mails the bond directly to the employer
 - ✓ Issued through The McLaughlin Company

COST

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

HOW TO APPLY

- Contact the nearest Local Bonding Coordinator
- For the list of all Local Bonding Coordinators in New York, go to <http://www.labor.ny.gov/businessservices/services/fbp.shtm>

MORE INFORMATION

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