

## TESTIMONIALS:

AMY HILL,  
WOTC AND FEDERAL BONDING  
PROGRAM MANAGER (DEW)

“The Federal Bonding Program has offered fidelity insurance as a **risk mitigation tool** to businesses willing to hire individuals with barriers to employment for more than 50 years. These barriers can range anywhere from judicial involvement to a bad credit score. The **coverage can be issued to an employer from \$5,000 to \$25,000 for the first six months of a newly hired individual’s employment at no cost.** Businesses can enjoy the benefit of a broader talent pool without taking a financial risk.”

U. S. DEPARTMENT OF LABOR

“[...] Since 1966 **over 50,000 individuals** who have faced challenges with finding employment **have taken advantage of fidelity bonds.** Since then, **the program has experienced a 99 percent success rate** in supporting peoples’ efforts in securing employment and remaining employed. This means that less than one percent of the bonds issued have actually been paid out (a claim paid to an employer).”

RETURNING CITIZEN

“Yes I have a record, but this job would mean a lot to me. It would mean even more to me than the next person because you are giving me a better opportunity that I wouldn’t already have. They said, **‘we are going to give you a chance, welcome aboard! I couldn’t believe it!’**”

The Federal Bonding Program is sponsored by the U.S. Department of Labor and administered by the South Carolina Department of Employment and Workforce (DEW).

For Federal Bonding business services, contact the DEW Federal Bonding office at [FederalBonding@dew.sc.gov](mailto:FederalBonding@dew.sc.gov).

For Federal Bonding employment services, contact a SC Works Representative. Find your local SC Works Center at: [scworks.org/centers](http://scworks.org/centers).



ADMINISTERED BY:



SOUTH CAROLINA DEPARTMENT OF  
**Employment and Workforce**

IN PARTNERSHIP WITH:

**SC WORKS**

A proud partner of the [americanjobcenter](http://americanjobcenter.net) network

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An equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

For program funding details in compliance with the Stevens Amendment, please visit [www.dew.sc.gov/funding](http://www.dew.sc.gov/funding).

Catalog: #126

# THE FEDERAL BONDING PROGRAM

PROVIDING THE CONFIDENCE FOR SECOND CHANCES

**HIRE WITH  
CONFIDENCE**  
RECRUIT. RELY. RENEW.

A UNIQUE TOOL TO HELP BUSINESSES  
**HIRE AND BOND** HIGH RISK APPLICANTS.

ADMINISTERED BY:



SOUTH CAROLINA DEPARTMENT OF  
**Employment and Workforce**

SPONSORED BY:



## WHAT IS FEDERAL BONDING?

The Federal Bonding Program enables the employer to **obtain skilled workers without taking risk**, giving them a second chance at success.

Sponsored by the U.S. Department of Labor and administered by the South Carolina Department of Employment and Workforce (DEW), **this insurance policy protects businesses** and helps **eliminate a significant barrier to employment** for individuals who may possess very employable job skills.

Through the Federal Bonding Program, the employer is provided fidelity insurance **free of charge**, and the **job seeker is provided a tool that increases their employability**.

## WHO MAY REQUEST THE FIDELITY BOND?

If you are an individual seeking bonding services, you may **contact your local SC Works Center to request a Federal Bonding Voucher**.

The voucher informs potential employers of your Federal Bonding eligibility and provides the employer instructions on how to apply for the bond if you are selected for hire.



Find locations at: [scworks.org/centers](https://scworks.org/centers).

**Employers must request the bond from the State Bonding Coordinator.**



After making a firm job offer and setting a start date, make a request by emailing [FederalBonding@dew.sc.gov](mailto:FederalBonding@dew.sc.gov).

## WHO IS ELIGIBLE FOR FEDERAL BONDING COVERAGE?

Bond coverage is provided for **any worker that may be considered high risk**. Businesses and individuals must enroll in the [SC Works Online Services](#) system as a requirement for bonding.

### HIGH RISK WORKERS ARE DEFINED AS:

- **Justice-involved individuals** with a record of arrest, conviction, or imprisonment; anyone who has ever been on parole or probation or has any police records.
- **Recovering addicts** who have been rehabilitated through treatment for alcohol or drug abuse.
- People with **poor personal credit records** or those who have declared bankruptcy.
- People **lacking a work history**.
- People **dishonorably discharged** from the military.
- Workers who need bonding in order to **avoid being laid off or to secure a promotion**.
- Anyone else who **needs the bond in order to get a job**.

## HOW AND WHEN IS THE BOND ISSUED TO THE EMPLOYER?

- **Bonds are issued directly to the employer** by the fidelity bond insurance company.
- Job start date is the effective date of the bond insurance.
- Bonds are **self-terminating after six months**.
- After the initial six months of coverage terminates, **continued coverage may be available for purchase** by the employer at the market rate through the fidelity insurance company.



## HOW MUCH BOND INSURANCE WILL BE ISSUED?

A total of **\$5,000 coverage**, without a deductible, is issued to the employer. **Larger bond amounts may be provided** if it is determined to be appropriate.

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

- **Workers must meet the legal age requirements** for employment in their respective state of residence.
- Wage payments must include **deduction of federal taxes**.
- Anyone **self-employed cannot be covered**.



Learn more about the Federal Bonding Program by visiting [bonds4jobs.com](https://bonds4jobs.com).