



Fidelity Bonding Program

Program Overview

The Fidelity Bonding Program (FBP) of Michigan provides an incentive for employers, including Temporary Job Agencies, to hire job seekers who are qualified, but who are considered high-risk because of a factor in their personal background. A Fidelity Bond is a business insurance policy from Chubb Ltd. that insures and protects an employer's assets against employee dishonesty such as theft, forgery, larceny, and embezzlement.

The FBP encourages employers to hire qualified, but high-risk job seekers and allows high-risk job seekers to find gainful employment. The FBP diminishes the risk for employers and reduces the barriers to employment faced by certain job seekers.

Features of the FBP

- Free bonding for the first six months of employment.
- No paperwork for employers or job seekers.
- \$5,000 - \$25,000 bonds available.
- No deductible.
- Easy phone intake process for employers.
- Continued bond coverage may be purchased by the employer from Chubb Ltd. through the Union Insurance Group (UIG).

Who is Bondable?

- Those who cannot be commercially bonded.
- People with poor credit records, including bankruptcies.
- Economically disadvantaged youth and adults who lack a work history.
- Recovering substance abusers.
- Temporary Assistance for Needy Families (TANF) recipients.
- Justice-involved citizens (ex-offenders).
- Those dishonorably discharged from the military.
- Youth in apprenticeships.

How to Obtain a Fidelity Bond

The employer must:

- Offer employment to the job seeker (must be the legal age of 18 or over) before a bond is issued.
- Provide 30 hours or more per week full-time employment for six consecutive months with the stipulation that the high-risk job seeker needs to be bonded.
- Automatically deduct Federal taxes from the job seeker's wages.
- Phone a Michigan Works! Agency (MWA) Fidelity Bonding Coordinator to begin the intake process.

A Fidelity Bond Does Not Cover:

- Bail bond or court bond for the legal system.
- Contract bond, performance bond, or license bond for the self-employed.
- Business bond to start a business or enterprise.
- Liability due to poor workmanship, job injuries, or accidents.
- Self-employed people, independent contractors, or entrepreneurs.

Fidelity Bonding Process

The MWA Fidelity Bonding Coordinator is the person that will conduct the phone intake process once the employer initiates contact with the coordinator.

For further information, please contact:

Workforce Development Agency
201 North Washington Square
Lansing, MI 48913
Phone: 517-335-5858 | Fax: 517-241-9846
Website: www.mitalent.org/bonding