

FEDERAL BONDING PROGRAM

A unique tool to:

- Help employers hire the workers they need
- Help an at-risk applicant get and keep a job

Minnesota employers, did you know you can reduce your risk and gain peace of mind by utilizing Federal Bonding when hiring employees denied commercial bonding coverage? Federal Bonding is funded by the U.S. Department of Labor and administered by the Minnesota Department of Employment and Economic Development.

The Minnesota Federal Bonding Program provides access to \$5,000 up to \$25,000 as needed of coverage for an employee's first six months of employment. Federal Bonding is no-cost employee dishonesty insurance that protects employers against employee theft of money or property by means of theft, larceny, forgery or embezzlement. Federal Bonding provides employers with additional confidence when considering qualified candidates who have barriers to employment, including:

- Justice involvement, including arrest or conviction histories
- In recovery from substance use disorders
- Poor credit history
- Limited or no previous work history
- Long-term unemployment
- Dishonorable discharge from military service
- Receiving public assistance
- Economically disadvantaged individuals
- Other employment barriers due to their background or circumstances

How the program works

To be eligible for the bonding service, a person must have a full or part-time job or a job offer with a date set to start work. Also, federal taxes must be automatically deducted from the person's paycheck. Self-employed people are not eligible for the bonding service.

The Federal Bond coverage for current employees is effective when the Minnesota Federal Bonding Coordinator certifies the bond. For new employees, the Federal Bonds are effective the day the employee begins work.

Bonds are provided at no cost to the employer or the job candidate through the Minnesota Federal Bonding Coordinator. The Federal Bond reimburses the employer for the dishonest acts of the employee for a six-month term and may be renewed for a second six-month term upon request.

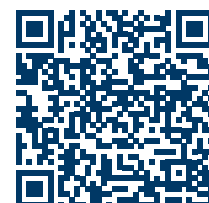
- No cost to the employer
- Available immediately upon hire
- Supports fair chance hiring practices

How to apply

Contact the Minnesota Federal Bonding Coordinator:

<https://careerforce.mn.gov/federal-bonding>

651-539-4121 | TTY: 651-296-3900



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