The Federal Bonding Program

Information for Workforce Practitioners

What is the Federal Bonding Program (FBP)?

The U.S. DOL established the Federal Bonding Program in 1966 to administer Federal Fidelity Bonds to businesses hiring individuals from certain populations.

What is a Federal Fidelity Bond?

Federal Fidelity Bonds are referred to simply as 'bonds.' A bond operates like an insurance policy for businesses which hire individuals from certain populations, including individuals with criminal records.

How much does a bond cost?

Bonds are provided to employers free of charge, without a deductible. There is no cost to the jobseeker. Bonds are acquired for free.

How much is a bond worth?

A single bond is worth $5,000. Bonds can be bundled five at a time for a value up to $25,000.

To which jobs can bonds be applied?

A bond can be applied to any job and any occupation with any employer in any industry, in any state. Full or part-time employees receiving paid wages with federal taxes automatically deducted from pay can be bonded, including those hired by temporary staffing agencies. Incumbent workers are also eligible to be bonded.

Which jobseekers are eligible for the FBP?

In July 2019, the Executive Office of Labor & Workforce Development (EOLWD) and MassHire Department of Career Services (MDCS) were awarded a grant to expand the use of bonds to help individuals with criminal records with employment opportunities. Although the FBP applies to many populations, individuals with criminal records are the focus of this grant, and **only eligible grant participants are individuals with criminal records and job offers.**

What does the FBP mean for MassHire customers?

The FBP protects the employer against losses incurred as a result of illegal actions by a bonded employee. In this way, the FBP can incentivize businesses to hire individuals with criminal records.

Contact Allison.McIntyre@mass.gov with questions.