

# FACT SHEET



## EDD FIDELITY BONDING PROGRAM

The Employment Development Department's (EDD) Fidelity Bonding Program provides bonding services at no cost to employers, employees, and job seekers at Workforce Services sites and America's Job Center of California<sup>SM</sup> (AJCC<sup>SM</sup>) throughout the state.

Fidelity bonding services protect employers against possible theft and dishonest or fraudulent acts, and help alleviate employers' concerns in hiring ex-offenders and at-risk job applicants. This program is funded and administered by the EDD in partnership with the U.S. Department of Labor, Employment and Training Administration.

### Who is Eligible?

To qualify for a fidelity bond, the job seeker or employee must meet all of the following criteria:

- Provide verifiable proof of legal status or documentation for authorization to work in the United States.
- Have a firm job offer or commitment of employment with a reasonable expectation of permanence.
- Not be commercially bondable, or could be denied commercial bonding coverage because of an arrest record or imprisonment; history of drug or alcohol abuse; poor credit history; or a lack of employment history.
- Position requires that the job seeker be bonded or requires a bond to retain or remain on the job.
- Job seeker or employee must be qualified for the position being offered.
- Cannot be self-employed or an owner/operator.

### What is the Limit Amount of Coverage?

Fidelity bonds may be issued for \$5,000 to \$25,000, in increments of \$5,000. Requests for fidelity bonds in excess of \$10,000 will be considered on a case-by-case basis.

### How Long Does the Coverage Last?

A fidelity bond is free of charge and remains in effect for six months from the date of issuance. It cannot be cancelled, forfeited, terminated or transferred to another employee.

At the completion of the initial six-month coverage period, if no claim has been made against the policy, the employer has the opportunity to purchase continuing coverage at normal commercial rates. Extended coverage will be made available from the Travelers Property Casualty Company through The McLaughlin Company.

### How to Apply for Bond Certification

Job seekers or employees may apply for a fidelity bond by visiting their local EDD Workforce Services site or AJCC<sup>SM</sup>. The certification process is simple, and requires no paperwork for the job seeker or the employer.

Coverage becomes effective once:

- Job seekers, employees, and employers meet all eligibility requirements.
- The EDD's Workforce Services or AJCC<sup>SM</sup> staff has certified the bond.
- The applicant/employee has begun work.

### Additional Information

Contact your nearest EDD Workforce Services site, listed under the "Employment Development Department Job Service" in the State Government section of the telephone directory, or visit the EDD's Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

The EDD is an equal opportunity employer/program.  
Auxiliary aids and services are available upon request to individuals with disabilities.