Employment Security Department
WASHINGTON STATE

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FACT SHEET

Fidelity bonds for workers

Some businesses require employees who handle cash or valuables to be bonded. The Employment Security Department's Fidelity Bonding Program provides free bonds to workers who are denied coverage from a commercial carrier due to an arrest or conviction, a history of drug or alcohol abuse, poor credit or a dishonorable military discharge.

Benefits to employers

The Fidelity Bonding Program protects employers against employee theft, forgery, larceny and embezzlement. The bonds provide 100 percent coverage and have no deductible. The program makes it easier for "risky" job seekers to find jobs.

> ***Free bond coverage available for "risky" job seekers***

Fidelity Bonds are intended to reassure and provide an incentive to employers to take a chance on a job applicant who may be perceived as undesirable.

Benefits to applicants

Generally, any at-risk job applicant is bondable, including:

- Ex-offenders.
- Recovering alcohol and drug abusers.
- Welfare recipients.
- Individuals with poor credit history.
- Dishonorably discharged veterans.
- Economically disadvantaged individuals with little or no work experience.

Bond amounts, limitations and expirations

The six-month bonds are issued in increments of $5,000 up to a total of $25,000, based on the potential loss an employer might incur. Paperwork is minimal for job seekers and employers. Once the bond expires, the employer may purchase continuing coverage by contacting the national bonding program coordinator.

Bonds do not cover liability due to poor workmanship, job injuries, work accidents, bail bonds, court bonds or bonding needed for self-employment.

Results

In 2018, the department issued 40 bonds to employers for hiring applicants who couldn't be bonded by commercial insurance carriers.

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