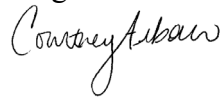


TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 10-19, Change 4
Date:	March 18, 2024
Keyword:	Choices; ES; SNAP E&T; WorkInTexas.com
Effective:	April 15, 2024

To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers



From: Courtney Arbour, Director, Workforce Development Division

Subject: **Fidelity Bonding Services—Update**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with information and guidance on fidelity bonding services.

This updated WD Letter provides:

- information on the WorkInTexas.com service code used for fidelity bonding services and updated Texas Workforce Commission (TWC) email addresses;
- the Fidelity Bond Request Form (Attachment 1); and
- fidelity bonding outreach materials, including the brochure, at-a-glance, and poster, which are included as Attachments 2, 3, and 4.

Additionally, this update provides clarification relating to the implementation of WorkInTexas.com as TWC's workforce case management system.

RESCISSIONS:

WD Letter 10-19, Change 3

BACKGROUND:

Fidelity bonding is a unique job placement tool that provides insurance to protect an employer against employee acts of dishonesty and serves as an effective employer incentive for hiring job seekers with criminal or other questionable backgrounds. Certain at-risk individuals are automatically eligible for free fidelity bonding through TWC.

Although assisting at-risk job seekers with employment is the main goal of fidelity bonding services, bonds are also available to cover employed workers who need bonding to prevent layoff or to secure a transfer or promotion to a different position with an employer. TWC will continue to provide free fidelity bonding services. Fidelity bonding is both a job seeker and an employer service.

PROCEDURES:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must.”

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”

NLF: Boards must be aware that TWC provides fidelity bonds at no cost.

LF: Boards are encouraged to use fidelity bonds as a tool to assist at-risk individuals with employment.

NLF: Boards must be aware that at-risk individuals are eligible for the fidelity bonding service based on the following criteria:

- Second Chance individuals, including individuals who have records of arrest or any police record or are on probation
- Applicants with poor credit histories, including bankruptcy
- Veterans dishonorably discharged from the military
- Public assistance recipients
- Applicants with a history of substance abuse
- Economically disadvantaged youth who lack a work history

NLF: Boards must ensure that staff:

- is provided with information on how to use fidelity bonds and how to complete the Fidelity Bond Request Form (Attachment 1);
- provides information on fidelity bonding services to at-risk individuals who could benefit from the service; and
- provides employers with information on fidelity bonding services.

NLF: Boards must ensure that staff:

- completes the Fidelity Bond Request Form upon job seeker or employer request;
- emails the completed Fidelity Bond Request Form to fidelity.bonding@twc.texas.gov;
- enters into WorkInTexas.com:
 - that the customer qualifies for fidelity bonding based on the eligibility criteria;
 - the specific criterion on which eligibility is based; and
 - the employer has been contacted to verify the bond request, employment start date, and job title;
- enters service code 124–Bonding Assistance into WorkInTexas.com once the bond has been approved; and
- enters service code FB-Fidelity Bonding into WorkInTexas.com at the time the bond is issued to record a fidelity bonding service provided to an employer.

NLF: Boards must be aware that fidelity bonds are typically limited to \$5,000 of coverage. However, if a higher amount—up to \$25,000—is required by an employer to ensure job placement, justification for the increase must be documented under Additional Information on the Fidelity Bond Request Form and in WorkInTexas.com Case Notes.

LF: Boards may use Attachments 2, 3, and 4 to this WD Letter in fidelity bonding outreach campaigns regarding services for job seekers and employers.

INQUIRIES:

Send inquiries regarding this WD Letter to wfpolicy.clarifications@twc.texas.gov.

ATTACHMENTS:

Attachment 1: Fidelity Bond Request Form

Attachment 2: Fidelity Bonding Brochure

Attachment 3: Fidelity Bonding At-a-Glance

Attachment 4: Fidelity Bonding Poster

Attachment 5: Revisions to WD Letter 10-19, Change 3, Shown in Track Changes

REFERENCES:

[US Department of Labor Federal Bonding Program Initiative](#)

[Texas Workforce Commission Fidelity Bonding Program](#)