LABOR BOND COVERAGE

The Landrum-Griffin requirement of 10 percent of funds handled refers to liquid assets (money and securities) on hand at the beginning of the annual or fiscal year, plus the annual or fiscal year income. The formula used by the DOL in computing the amount of bond coverage required is as follows:

**Liquid Assets + Total Receipts x 10% = Amount of Coverage Required**

The amounts available under the CWA Group bond range from $2,500 to $500,000. The minimum bond amount for which a Local or Council can request coverage is $2,500, which covers 10% of assets and receipts not exceeding $25,000. If a Local or Council chooses to obtain bond coverage through this office and does not specify an amount, the normal coverage issued is $50,000. This covers 10 percent of assets and receipts not exceeding $500,000.

Bond coverage can be obtained through CWA, or a Local or Council may secure its own coverage. Should a Local or Council secure its own coverage, the Local or Council must supply this office with the name of the bonding company, amount of coverage, expiration date of the policy, and the officers covered.

**A bond may be written only by a bonding company which is a corporate surety holding a grant of authority from the Secretary of the Treasury as an acceptable surety on federal bonds. Also, a bond may NOT have a deduction since that is a form of self-insurance.** For more information on DOL bond coverage requirements, please refer to [http://www.dol.gov/olms/regs/compliance/bonding.htm](http://www.dol.gov/olms/regs/compliance/bonding.htm).

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- The expiration date of the CWA carried bond currently in effect is October 4, 2021.

- The expiration date of the IUE-CWA carried bond currently in effect is January 2, 2023.