# **North Carolina Leave Laws**

This material is for general informational purposes only and does not constitute legal advice. For current and accurate guidance, please consult legal counsel in your jurisdiction.

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# Paid Time Off (PTO) in North Carolina

#### Vacation Leave Quota

#### North Carolina does not demand vacation days.

Private employers in North Carolina are not required to provide paid or unpaid vacation.

Although it is not required by law, it is common for employees to receive 10 paid days off after completing one year of work. This is usually the case for private sector employees. However, the amount of paid time off (PTO) can vary based on factors such as the industry, location, and the employee's length of service with the company.

So, if employers choose to offer vacation leave to their employees, paid or unpaid, it must be in accordance with appropriate state law, established company policy, and employment contract.

#### Accrual

The accrual system is not obligatory in North Carolina, but it is widely used by companies.

Employers are generally free to design their own vacation accrual system, such as daily, weekly, semi-monthly, or monthly increments.

It is usually based on the pay period. There's no mandatory payday requirement in North Carolina, as there is in other states. Therefore, pay periods can range from daily to monthly.

Employers can cap (limit) the amount of vacation time employees can accumulate over time, but only when they inform the employees of their vacation policy in written form.

## Roll Over (Carry Over, Brought Forward)

A Use-It-or-Lose-It policy is allowed.

A "use-it-or-lose-it" employee vacation policy requires an employee to lose any unused vacation time after a specific date, such as the end of the year.

This policy is not prohibited, but employees must be informed in written form about it. Workers who haven't been informed are exempt from incurring a loss or having something taken away from them.

## Statutory Provisions Addressing Vacation Pay

An employer isn't obligated to offer vacation pay benefits to the employees, but must adhere to the terms of its policy.

Although employers are not obligated to offer vacation benefits, they must be mindful of their vacation policy if they choose to have it.

If an employer decides to have a vacation policy, it must cover:

- How vacation is earned or accrued.
- The amount of unused vacation time that can be rolled over to the next year, if at all.
- When vacation leave must be taken.
- The circumstances under which an employee will lose their vacation pay upon leaving their job.
- The conditions under which vacation pay can be paid instead of time off, if at all.

## Payment of Accrued, Unused Vacation on Termination

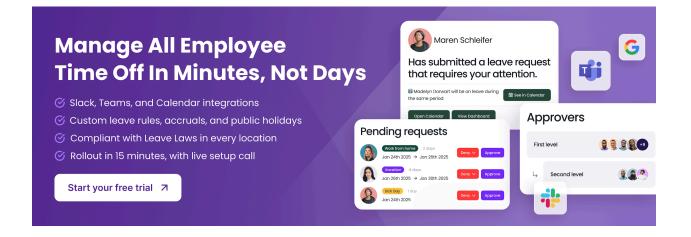
Only an employer's policy or employment contract handles whether accrued, unused vacation is paid upon termination.

Employers have the legal right to establish a policy or include a clause in an employment contract that denies payment for accumulated vacation time to employees upon their departure from the company if certain conditions, such as giving a 2-week notice or being employed on a specific date, are not met. However, for the policy to be valid, employees must be made aware of it beforehand.

Therefore, employees will only forfeit their vacation pay upon leaving their job if the company policy or employment contract clearly indicates it.

Employers must pay any accumulated vacation time to an employee when their employment ends if their company policy or employment contract states so.

If the company policy or employment contract does not address payment for accumulated vacation time upon termination of employment, the employer is still required to pay it to the departing employee.



# Sick Leave in North Carolina

Federal law requires 12 weeks of unpaid sick leave. No additional state laws.

## Federal Laws – Leave Quota

Short: Federal law requires 12 weeks of unpaid sick leave.

The standard federal Family and Medical Leave Act (FMLA) applies to North Carolina (as it is in all the states in the U.S.A). The leave is job-protected.

Employees qualify for FMLA benefits only if:

- they have been employed for at least 12 months (at least 25 hours per week) or 1,250 hours in the previous year
- they work in a location where at least 50 people are employed by the company (in a 75-mile radius)

The FMLA entitles qualified employees to take up to 12 weeks off for:

- personal medical reasons illness or injury
- to care for a close family member (child, spouse, or parent) suffering from a severe illness
- maternity or paternity leave.

Employers are free to propose additional sick leave benefits that are better than the minimum federal requirement.

Check out our article on FMLA to learn more.

#### North Carolina State Laws

There aren't any additional state laws that require sick leave.

While some states require businesses to offer a certain number of paid sick days to their workers, neither federal law nor the regulations in North Carolina make it mandatory for employers to offer paid or unpaid time off for illnesses. However, eligible North Carolina employers must follow the Family and Medical Leave Act (FMLA).

It's important to keep in mind that if an employer decides to offer sick leave benefits, they must adhere to the terms outlined in the employment contract or employee handbook. This could create a legal requirement for the employer to provide such benefits.

Payout

Sick leave in North Carolina is unpaid.

## Maternity, Paternity, FMLA in North Carolina

#### Federal Law

#### 12 weeks of unpaid maternity/paternity leave is provided by FMLA.

The Family and Medical Leave Act (FMLA) is a federal law that allows eligible workers to take up to 12 weeks of unpaid, job-protected leave per year for family or medical reasons, including maternity or paternity leave. Unless otherwise authorized by the employer, an employee must take this leave continuously. More information about FMLA eligibility can be found above, under the section *Sick Leave in North Carolina: Federal Laws – Leave Quota*.

The Pregnancy Discrimination Act (PDA) is one more federal law that protects pregnant women. According to the PDA, discrimination against pregnant people is prohibited in all areas of employment: hiring, firing, pay, job assignments, promotions, fringe benefits, training, leave, and health insurance.

#### Additional State Laws in North Carolina

#### No additional state laws.

North Carolina has no additional laws regarding maternity and paternity leave. Expecting and new parents are entitled to leave under the federal Family and Medical Leave Act (FMLA) and the Pregnancy Disability Act.

The Small Necessities Law (aka Parental Involvement Leave) provides parents, a guardian, or someone standing in loco parentis (in the place of a parent) up to 4 hours of unpaid leave to attend a child's activities related to school.

Payout

Maternity and paternity leave in North Carolina are unpaid.

# Bereavement Leave in North Carolina (Funeral Leave)

An employer is not required to provide bereavement leave.

An employer is not legally required to provide any paid or unpaid bereavement leave, or any time off to attend an immediate family member's funeral. However, most employers do provide

at least 2 days, so if an employer decides to provide bereavement leave, they must follow the bereavement policy or practice they have in place.

Payout

Bereavement leave in North Carolina is unpaid.

## Jury Duty Leave in North Carolina

#### Employers must provide employees unpaid time off for jury duty.

Under North Carolina law, if an employee is summoned to perform jury duty, employers must allow them to be absent from work during that time. Notice requirements do apply, so employees may have to show their employer their jury summons (within a reasonable period of time after receiving it) to be given the necessary leave.

An employer may not fire, threaten to fire, penalize, or punish the employee in any way due to their jury service.

#### Payout

The employer pays:

Employers don't have to pay wages or salaries to someone who is on jury duty leave. However, many companies compensate their employees for serving on a jury, recognizing the importance of fulfilling this civic duty.

The court pays:

Employees who serve as jurors in North Carolina are paid \$12.00 a day (though juror pay is only a token amount).

# Military Leave in North Carolina

Unpaid leave. All employers in the U.S. must comply with USERRA. Additional state laws.

## Federal law

The Uniformed Services Employment and Reemployment Rights Act (USERRA) is a federal law that applies to employers of all sizes and types in the U.S. USERRA protects employees called to active duty in the U.S. military, including the U.S. Armed Forces, Reserves, and National Guard. USERRA provides reinstatement rights, protection from discrimination, the right to continue group health care benefits for up to 24 months during their leave, and up to 5 years of unpaid leave for military service (with exceptions to this 5-year limit).

#### North Carolina State Law

North Carolina National Guard members and members of any other state's national guard who are activated by the state governor are eligible for unpaid leave. If conditions permit, they must be reinstated to their former job or a similar one with the same seniority, status, and salary. If they are no longer capable of performing their previous job, they must be placed in another job with equivalent seniority, status, and salary.

For active duty less than 30 days, the employee must apply to return to work in writing within 5 days of return. For active duty over 30 days, they must apply within 14 days of being released. (There are different regulations if the employee was injured or sick while on active duty.)

Employers are prohibited from discriminating against or firing an employee because of their membership in any state's national guard or for being called up for emergency military service.

## Payout

Military leave is generally unpaid.

The Uniformed Services Employment and Reemployment Rights Act does not mandate that military leave must always be paid. However, it requires that military leave must be treated the same as other types of leave that are comparable. So, if an employer provides other forms of paid leave, they must also pay for military leave in a similar manner. USERRA prohibits employers from differentiating treatment for service members by paying for some leave but not for military leave.

It can be unclear what other types of leave are comparable to military leave, so employers should be vigilant about this and seek legal advice if necessary.

# Voting Leave in North Carolina

#### Not required by state law.

North Carolina law does not require employers to grant their employees time off to vote on Election Day. If an employer chooses to allow time for voting, they have the discretion to decide whether or not to pay for it.

While most states in the U.S. provide time off for voting, North Carolina is not among them.

Payout

Voting leave is unpaid.

# North Carolina State Holidays for 2025

North Carolina law doesn't require private employers to provide employees with paid or unpaid holiday leave.

Private employers in North Carolina don't have to provide paid or unpaid leave for holidays; this is the case throughout the US. Private employers have the ability to mandate that all employees work on holidays. However, the majority of employers in North Carolina do offer at least seven paid holidays.

There is no legal requirement for private employers to provide holiday pay, meaning that workers are not entitled to receive premium pay (usually time-and-a-half or 150% of their regular pay) for working on national holidays unless the employee is eligible for overtime pay under the standard overtime laws for the time worked.

North Carolina officially observes <u>12 state holidays</u>.

Holiday	Observed in 2025	General Date
New Year's Day 2025	Wednesday, January 1	January 1
Martin Luther King, Jr.	Monday, January 20	3rd Monday in January
Good Friday	Friday, April 18	2 days before Easter

#### A complete list of holidays celebrated in North Carolina in 2025:

Memorial Day	Monday, May 26	Last Monday in May
Independence Day	Friday, July 4	July 4
Labor Day	Monday, September 1	1st Monday in September
Veterans Day	Tuesday, November 11	November 11
Thanksgiving Day	Thursday, November 27	4th Thursday of November
Thanksgiving Friday	Friday, November 28	Day after Thanksgiving
Christmas Eve	Wednesday, Dec. 24	December 24
Christmas Day	Thursday, Dec. 25	December 25
Day After Christmas	Friday, Dec. 26	December 26

If a public holiday is on Saturday, it moves to Friday; if it's on Sunday, it shifts to Monday.

2026

Holiday

Observed in 2026

**General Date** 

New Year's Day 2026	Thu, Jan 1, 2026	January 1
Martin Luther King, Jr.	Monday, January 19	3rd Monday in January