

Wage and Hour Laws: North Carolina

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A Q&A guide to state-specific wage and hour laws for private employers in North Carolina. This Q&A addresses nuances of state law, including minimum wage, overtime, exemption and litigation questions. Federal, local or municipal law may impose additional or different requirements. Answers to questions can be compared across a number of jurisdictions (see *Wage and Hour Laws: State Q&A Tool* (<http://us.practicallaw.com/3-505-9593>)).

OVERVIEW OF STATE WAGE AND HOUR LAW

1. Please list each wage and hour statute (for example, mini-FLSA laws, minimum wage, overtime, child labor, state government contracts, wage payment, timekeeping and callback/report-in pay statutes). For each, please describe:

- Which employers are covered.
- Whether it provides a private right of action.
- The entity that administers the statute.

NORTH CAROLINA WAGE AND HOUR ACT: N.C. GEN. STAT. ANN. §§ 95-25.1 TO 95-25.25

The North Carolina Wage and Hour Act (NCWHA) governs North Carolina employers' state wage and hour obligations (*N.C. Gen. Stat. Ann. §§ 95-25.1 to 95-25.25*). It regulates:

- Minimum wage.
- Overtime requirements.
- Wage payments.
- Payments of promised wages and benefits, such as vacation.
- Youth employment.
- Recordkeeping.

Covered Employers

All North Carolina employers are covered by the NCWHA (*N.C. Gen. Stat. Ann. § 95-25.2(5)*).

Private Right of Action

Employees may file a civil action to recover amounts owed for violations relating to:

- Minimum wage.
- Overtime.
- Wage payment.

(*N.C. Gen. Stat. Ann. § 95-25.22(a), (b)*.)

Administration

The Wage and Hour Bureau of the North Carolina Department of Labor administers the NCWHA (*N.C. Gen. Stat. Ann. § 95-25.17*).

EXEMPT EMPLOYEES

2. With regard to your state's primary wage and hour statute (the one most similar to the federal FLSA), please describe:

- Exempt classifications of employees and what provisions of the law(s) they are exempt from.
- The test(s) used to determine whether and employee is exempt.
- Any significant differences with the FLSA regarding exemptions that practitioners should be aware of.

EXEMPT CLASSIFICATIONS

Minimum wage, overtime, youth employment and recordkeeping requirements under the North Carolina Wage and Hour Act (NCWHA) do not apply to the following categories of employees:

- Any person employed in an enterprise engaged in commerce or in the production of goods for commerce as defined under the Fair Labor Standards Act (FLSA). However, some minimum wage, overtime and youth employment requirements may apply.
- Agricultural workers, as defined under the FLSA.



- Any person employed as a domestic, including baby sitters and companions, as defined under the FLSA.
- Any person employed as a page in the North Carolina General Assembly or the Governor's Office.
- Bona fide volunteers for whom an employer-employee relationship does not exist.
- Persons confined in and working for any penal, correctional or mental institution of the state or local government.
- Any person employed as a model, an actor or performer in motion pictures or theatrical, radio or television productions, as defined under the FLSA. However, some youth employment requirements apply.
- Persons employed by an outdoor drama in certain positions. However, some youth employment requirements may apply.

(N.C. Gen. Stat. Ann. § 95-25.14(a).)

Minimum wage, overtime and recordkeeping requirements under the NCWHA do not apply to the following categories of employees:

- Employees of a boys' or girls' summer camp or of a seasonal religious or non-profit educational conference center.
- Persons employed in catching, processing or first sale of seafood as defined under the FLSA.
- The spouse, child, parent or dependent (as qualified under the North Carolina income tax laws) of the employer.
- Persons employed in a bona fide executive, administrative, professional or outside sales capacity as defined under the FLSA.
- Persons participating in a ridesharing arrangement as defined by Section 136-44.21 of the North Carolina General Statutes.
- Computer systems analysts, computer programmers, software engineers or other similarly skilled workers as defined under the FLSA.
- Volunteer firefighters in an incorporated, nonprofit volunteer or community fire department.
- Volunteer rescue and emergency medical services personnel in an incorporated, nonprofit volunteer or community fire department or an incorporated, nonprofit rescue squad.

(N.C. Gen. Stat. Ann. § 95-25.14(b), (b1).)

Overtime and recordkeeping requirements under the NCWHA do not apply to the following categories of employees:

- Drivers, drivers' helpers, loaders and mechanics as defined under the FLSA.
- Taxicab drivers.
- Seamen and employees of railroads and air carriers as defined under the FLSA.
- Salespersons, mechanics and parts personnel employed by automotive, truck and farm implement dealers as defined under the FLSA.
- Salespersons employed by trailer, boat and aircraft dealers as defined under the FLSA.
- Live-in child care workers or other live-in employees in homes for dependent children.
- Radio and television announcers, news editors and chief engineers as defined under the FLSA.

(N.C. Gen. Stat. Ann. § 95-25.14(c).)

TESTS USED FOR EXEMPTION

Nearly all of the NCWHA's tests for exempt employees are defined by reference to the FLSA. North Carolina courts interpreting the NCWHA look to federal law to determine whether an employee is exempt under North Carolina law (*Kornegay v. Aspen Asset Grp., LLC*, 693 S.E.2d 723, 744 (N.C. Ct. App. 2010)). For more information on FLSA exemptions, see *Practice Note, Wage and Hour Law: Overview: Employees Exempt from FLSA Overtime Requirements* (<http://us.practicallaw.com/2-506-0530#a899522>).

OTHER SIGNIFICANT EXEMPTION RULES

There are no other significant exemption rules in North Carolina.

OVERTIME PAYMENT REQUIREMENTS

3. Please state whether overtime requirements exist in your state. If so, please describe:

- How overtime due is calculated (by day or by week or both).
- How a workday and workweek are defined.
- The rate at which overtime must be paid and how the rate is defined.
- The penalties for failure to pay overtime.

OVERTIME REQUIREMENTS AND CALCULATION

Overtime is calculated by the workweek. An employee who works longer than 40 hours in any workweek is entitled to be paid overtime at a rate of at least 1.5 times the employee's regular rate of pay for each hour over 40. However, seasonal amusement or recreational establishment employees are only entitled to the overtime rate for each hour over 45 in a workweek. (N.C. Gen. Stat. Ann. § 95-25.4.)

DEFINITION OF WORKDAY AND WORKWEEK

A workweek is any period of 168 consecutive hours (N.C. Gen. Stat. Ann. § 95-25.2(17)). The North Carolina Wage and Hour Act does not define workday.

OVERTIME RATE

The overtime rate must be at least 1.5 times the employee's regular rate of pay (N.C. Gen. Stat. Ann. § 95-25.4(a)).

PENALTIES FOR FAILURE TO PAY OVERTIME

Employers who fail to pay overtime are liable for:

- All unpaid overtime.
- Interest.
- Liquidated damages equal to the amount of unpaid overtime.

(N.C. Gen. Stat. Ann. § 95-25.22(a), (a1).)

Employers can avoid or lessen liability for liquidated damages if they show both:

- The violation was in good faith.
- They had reasonable grounds for believing the act or omission was not a violation of the NCWHA.

(N.C. Gen. Stat. Ann. § 95-25.22(a1).)

The court may also award reasonable attorneys' fees and costs (N.C. Gen. Stat. Ann. § 95-25.22(d)).

MINIMUM WAGE

4. If there is a state minimum wage, please describe:

- The current minimum wage and the period it will remain current for.
- Any expected increases in the minimum wage rate, when they will take effect and how long they are expected to be in effect for.
- How tipped employees are treated under the hourly minimum wage.
- Any circumstances under which employers are allowed to pay rates below the minimum wage (for example, obtaining a permit from the appropriate state agency for workers with disabilities, in vocational programs or students), and any requirements for doing so (for example, obtaining a permit).

CURRENT MINIMUM WAGE

North Carolina's minimum wage is \$7.25 per hour (*N.C. Gen. Stat. Ann. § 95-25.3(a)*).

EXPECTED INCREASES IN MINIMUM WAGE

No increase in the minimum wage rate is currently expected.

TREATMENT OF TIPS

Tips may be counted as wages only up to the amount permitted in Section 3(m) of the Fair Labor Standards Act (FLSA), and only if all of the following requirements are met:

- The employer notifies the employee in advance of its intent to claim the tip credit toward the minimum wage.
- The employee is permitted to retain all tips, except when in a valid tip-pooling arrangement.
- The employer maintains accurate and complete records of all tips the employee received.

(*N.C. Gen. Stat. Ann. § 95-25.3(f)*; *13 N.C. Admin. Code 12.0303(e)*.)

PAYING BELOW MINIMUM WAGE

Full-time students, learners, apprentices and messengers, as defined under the FLSA, may be paid 90% of the minimum wage (*N.C. Gen. Stat. Ann. § 95-25.3(b)*).

Employers of disabled workers may apply for a disabled worker certificate to set a sub-minimum wage rate for a particular individual to perform a particular job. For this purpose, a disabled worker means an individual whose earning capacity is impaired by age or physical or mental deficiency or injury. (*N.C. Gen. Stat. Ann. § 95-25.3(c)*; *13 N.C. Admin. Code 12.0202*.)

COMPENSABLE TIME

5. Please state whether the following categories of time are generally compensable, and if so, under what circumstances:

- Donning and doffing protective gear, clothing or uniforms.
- Participating in security checks.
- Checking e-mail, voicemail or assignments from home.
- Attending lectures, meetings or training programs.
- Traveling to and from work and traveling for work.
- Taking breaks and meal periods.
- Preparatory time (for example, oiling machinery before its use).
- Waiting time (also called "on-call" or "stand-by" time).

The North Carolina Wage and Hour Act (NCWHA) does not address compensable time. The NCWHA defines "hours worked" to include "all time an employee is employed" (*N.C. Gen. Stat. Ann. § 95-25.2(8)*).

CHILD LABOR LAWS

6. Please describe any child labor laws in your jurisdiction, including:

- Any minimum working age.
- Any limits on hours that may be worked by minors.
- Any permits or certificates required to employ minors.

Certain child labor provisions of the North Carolina Wage and Hour Act (NCWHA) apply to North Carolina employers even if their employees are otherwise exempt from the NCWHA. Those North Carolina employers covered by the Fair Labor Standards Act must still comply with requirements for youth employment certificates (see *Required Permits or Certificates*) and dangerous occupations (see *Minimum Working Age*). (*N.C. Gen. Stat. Ann. § 95-25.5(k)*.)

MINIMUM WORKING AGE

In North Carolina, no person under 18 years old can be employed without a youth employment certificate, unless specifically exempted (*N.C. Gen. Stat. Ann. § 95-25.5(a)*; see *Required Permits or Certificates*). Youths 13 years old and younger may not be employed by any employer except that 12- and 13-year-olds may distribute newspapers subject to certain restrictions (*N.C. Gen. Stat. Ann. § 95-25.5(d)*).

LIMITS ON HOURS

No person under 18 years old enrolled in school in grade 12 or lower can be employed between 11:00 p.m. and 5:00 a.m. when there is school for the youth the next day. Youths who are 16 and 17 years old can work during these hours with written approval from the youth's parent and school principal. (*N.C. Gen. Stat. Ann. § 95-25.5(a1)*.)

Youths who are 14 or 15 years old cannot work:

- More than 40 hours in a week when school is not in session.
- More than 18 hours in any week when school is in session.
- More than three hours on a day when school is in session.
- More than eight hours on a day when school is not in session.
- Outside the period between 7:00 a.m. to 7:00 p.m. when school is in session.
- Outside the period between 7:00 a.m. and 9:00 p.m. during summer, when school is not in session.
- During school hours.

(*N.C. Gen. Stat. Ann. § 95-25.5(c)*.)

Youths under 16 years old cannot work more than five consecutive hours without a rest interval of at least 30 minutes (*N.C. Gen. Stat. Ann. § 95-25.5(e)*).

LIMITS ON OCCUPATIONS

No person under 18 years old may be employed in any occupation:

- Considered hazardous by the US Department of Labor.
- Found by the North Carolina Commissioner of Labor to be detrimental to the health and well-being of youths.

(*N.C. Gen. Stat. Ann. § 95-25.5(b)*.)

Alcoholic Beverages

Persons holding a permit from the North Carolina Alcoholic Beverage Control Commission for the sale or consumption of alcoholic beverages on their premises cannot employ youths:

- Under 16 years old for any purpose unless the youth is at least 14 years old and:
 - the employer obtains written consent from the youth's parent or guardian; and
 - the youth is employed to work outside the grounds of the premises for a purpose that does not involve preparing, serving, dispensing or selling alcoholic beverages.
- Less than 18 years old to prepare, serve, dispense or sell any alcoholic beverages, including mixed beverages.

(*N.C. Gen. Stat. Ann. § 95-25.5(j)*; *13 N.C. Admin. Code 12.0408.*)

REQUIRED PERMITS OR CERTIFICATES

North Carolina employers must obtain a youth employment certificate from any employee under the age of 18. A youth employment certificate is only valid for the employer specified on the certificate. (*N.C. Gen. Stat. Ann. § 95-25.5(a)*; *13 N.C. Admin. Code 12.0401(c)*.)

When applying for a certificate, the youth must provide:

- His information, including:
 - name;
 - address;
 - phone number;
 - sex;
 - age; and
 - birth date.
- His employer's information, including:
 - name;
 - type of business;
 - address; and
 - phone number.
- A job description.

The employer must certify the minor's age, proposed job duties and restrictions noted on the certificate.

The application for a youth employment certificate is available from the North Carolina Department of Labor Wage and Hour Bureau website.

If the youth employment certificate is obtained electronically, the employer must verify the youth's age (*13 N.C. Admin. Code 12.0402(b)(1)*). If the youth employment certificate is not obtained electronically, the youth must provide proof of age (*13 N.C. Admin. Code 12.0402(b)(2)*).

The youth employment certificate must be signed by:

- The youth.
- The employer.
- A parent, guardian, custodian or other person standing in loco parentis.

(*13 N.C. Admin. Code 12.0402(c)*.)

If a court issues a final decree of emancipation for the youth, the youth may sign the certificate without the approval of a parent, guardian, custodian or other person standing in loco parentis (*13 N.C. Admin. Code 12.0402(c)*).

The youth cannot begin work until the employer has a completed and signed certificate. Employers must keep the certificate in their records for two years after employment ends. (*13 N.C. Admin. Code 12.0403(d)*.)

EXEMPTIONS

The North Carolina Commissioner of Labor may waive any restriction in Section 95-25.5 of the North Carolina General Statutes and authorize the issuance of an employment certificate for any youth 13 years old or older when all of the following conditions are met:

- The Commissioner receives a letter, stating factors that create a hardship situation and how the best interest of the youth is served, from a:
 - social worker;
 - court;
 - probation officer;
 - county department of social services;
 - school official; or
 - the North Carolina Alcoholic Beverage Control Commission.
- The Commissioner determines that the health or safety of the youth would not be adversely affected.
- The parent, guardian or other person standing in loco parentis consents in writing to the proposed employment.

(*N.C. Gen. Stat. Ann. § 95-25.5(f)*.)

The restrictions in Section 95-25.5 of the North Carolina General Statutes, except for the youth employment certificate requirement, do not apply to youths employed in the following roles:

- Models.
- Actors or performers in:
 - motion pictures;
 - theatrical productions; or
 - radio or television productions.
- Production-related positions for an outdoor drama, including:
 - stagehands;
 - lighting;
 - costumes;
 - properties; and
 - special effects.

(*N.C. Gen. Stat. Ann. § 95-25.5(h)*.)

Youths employed by their parent, guardian or other person standing in loco parentis are exempt from all restrictions in Section 95-25.5 of the North Carolina General Statutes except for the following:

- The youth employment certificate requirement (see *Required Permits or Certificates*).
- The prohibition from hazardous or detrimental occupations (see *Limits on Occupations*).

- The prohibitions from working with alcoholic beverages, if the youths only work at the establishment when another employee who is 21 years or older is in charge of and present at the premises (see *Limits on Occupations: Alcoholic Beverages*).

(*N.C. Gen. Stat. Ann. § 95-25.5(i)*.)

WAGE PAYMENT REQUIREMENTS

7. Please state whether:

- The law prescribes a regular pay period and, if so, what that pay period is.
- The law prescribes a maximum time following a pay period that payment must be received and, if so, what that time is.
- The law prescribes a maximum time following termination that a final pay check must be received and, if so, what that time is.
- The law prescribes that accrued and unused vacation time is a type of compensation, and if an employer chooses to provide vacation, how it is to be administered, including how much can be carried over from year to year.
- The law prescribes penalties for failure to comply, and if so, what those penalties are.

REGULAR PAY PERIOD

Under North Carolina law, a pay period may be:

- Daily.
- Weekly.
- Bi-weekly.
- Semi-monthly.
- Monthly.

(*N.C. Gen. Stat. Ann. § 95-25.6*.)

Wages based on bonuses, commissions or other forms may be paid as infrequently as annually (*N.C. Gen. Stat. Ann. § 95-25.6*).

PAYMENT FOLLOWING PAY PERIOD

North Carolina law does not prescribe a maximum time following a pay period that payment must be received.

PAYMENT FOLLOWING TERMINATION

Employees whose employment is discontinued for any reason must be paid all wages due on or before the next regular payday. Wages based on bonuses, commissions or other forms of calculation must be paid on the first regular payday after the amount becomes calculable, and such wages may not be forfeited unless the employee was notified in advance of the employer's policy or practice resulting in the forfeiture. (*N.C. Gen. Stat. Ann. § 95-25.7*.)

VACATION

The North Carolina Wage and Hour Act (NCWHA) includes vacation pay in its definition of wage. North Carolina employers are not required to provide vacation pay plans for employees. (*N.C. Gen. Stat. Ann. §§ 95-25.2(16) and 95-25.12*.)

However, if an employer does adopt a vacation policy, that policy must address:

- How and when vacation is earned.
- Whether and how much vacation time may be carried forward from one year to another.
- When vacation time must be taken.
- When and if vacation pay may be paid in lieu of time off.
- Under what conditions vacation pay is forfeited on termination of employment.

(*13 N.C. Admin. Code 12.0306(a)*.)

PENALTIES

Employers who fail to pay wages when due are liable for:

- All unpaid wages.
- Interest.
- Liquidated damages equal to unpaid wages.

Employers can avoid or lessen liability for liquidated damages if they show both:

- The violation was in good faith.
- They had reasonable grounds for believing the act or omission was not a violation of the NCWHA.

The court may award reasonable attorneys' fees and costs.

(*N.C. Gen. Stat. Ann. § 95-25.22*.)

TIMEKEEPING REQUIREMENTS

8. Does the law require employees or employers to record employees' working time using a specific method? Please describe.

The North Carolina Wage and Hour Act does not require employers to record employees' working time using a specific method.

DEDUCTIONS FROM PAY

9. Please describe any circumstances under which a deduction from wages can be made. Please also describe any deductions that could place an employee's exemption from overtime or minimum wage requirements at risk, and under what circumstances.

An employer may withhold an employee's wages when:

- Empowered or required to by law.
- The amount is known and agreed on in advance and the employee provides written authorization. If the authorized deduction is for the employee's own benefit, the employee must be given a reasonable opportunity to withdraw the authorization. The authorization must:
 - be signed on or before the paydays for the pay periods in which the deduction occurs;
 - indicate the reason for the deduction; and
 - state the actual dollar amount or percentage of wages deducted.
- The amount is not known and agreed on in advance and the employer has the employee's written authorization, which must:
 - be signed on or before the paydays for the pay periods in which the deduction occurs; and
 - indicate the reason for the deduction.

Before any deduction, the employee must also:

- receive advance written notice of the amount to be deducted and the employee's right to withdraw the authorization; and
- be given a reasonable opportunity to withdraw the authorization in writing.
- In addition to the above requirements, if the employee is given written notice of the amount to be deducted at least seven days before the payday on which the deduction is made (which is not required when a separation occurs), deductions can be made for:
 - cash shortages;
 - inventory shortages; or
 - loss or damage to the employer's property.
- Recouping a prepayment of wages in the form of:
 - an inadvertent overpayment of wages resulting from a bona fide error;
 - advances to an employee or third party at the employee's request; or
 - the principal amount of loans made by an employer to an employee.

(*N.C. Gen. Stat. Ann. § 95-25.8*.)

Except for the recoupment of a prepayment of wages as described above, deductions cannot reduce wages for overtime hours in any amount and cannot reduce non-overtime wages below the minimum wage level for any workweek (*N.C. Gen. Stat. Ann. § 95-25.8(b)*).

CALLBACK/REPORT-IN PAY

10. Please describe any callback and report-in pay requirements.

CALLBACK PAY

North Carolina does not have any laws regarding callback pay.

REPORT-IN PAY

North Carolina does not have any laws regarding report-in pay.

NOTICE TO EMPLOYEES

11. For each wage and hour law, what obligation does an employer have to inform its employees of their rights?

When employees are hired, employers must inform them either orally or in writing of any promised wages and the day and place for payment. Employers must also make available to employees, in writing or in a posted notice, any employment practices and policies regarding promised wages. (*N.C. Gen. Stat. Ann. § 95-25.13(1), (2)*.)

Promised wages include:

- Sick pay.
- Vacation pay.
- Severance pay.
- Commissions.
- Bonuses.
- Other promised amounts under the employer's policy or practice.

(*N.C. Gen. Stat. Ann. § 95-25.2(16)*.)

Employers must inform their employees in writing or in a posted notice at least 24 hours before any change in promised wages, other than an increase in wages (*N.C. Gen. Stat. Ann. § 95-25.13(3)*.)

Employers subject to the North Carolina Wage and Hour Act must display the North Carolina Labor Laws poster, which can be ordered from the North Carolina Department of Labor's website.

CONSEQUENCES FOR VIOLATION

12. For each wage and hour law listed in response to Question 1, what are possible consequences for employers who violate the law?

NORTH CAROLINA WAGE AND HOUR ACT: N.C. GEN. STAT. ANN. §§ 95-25.1 TO 95-25.25

Wage Violations

Employers who fail to pay wages when due are liable for:

- All unpaid wages.
- Interest.
- Liquidated damages.

Employers can avoid or lessen liability for liquidated damages if they show both:

- The violation was in good faith.
- They had reasonable grounds for believing the act or omission was not a violation of the North Carolina Wage and Hour Act (NCWHA).

The court may also award reasonable attorneys' fees and costs.

(*N.C. Gen. Stat. Ann. § 95-25.22*.)

Child Labor Violations

Violations of the youth employment provisions of the NCWHA may result in civil penalties up to:

- \$500 for the first violation.
- \$1,000 for each subsequent violation.

(*N.C. Gen. Stat. Ann. § 95-25.23(a)*.)

Recordkeeping Violations

Violations of the recordkeeping provisions of the NCWHA may result in civil penalties up to \$250 per employee, with a maximum of \$2,000 for each investigation by the North Carolina Department of Labor (NCDOL). A two-year statute of limitations for recordkeeping violations starts to run at the time of the violation. (*N.C. Gen. Stat. Ann. § 95-25.23A*.)

Criminal Penalties

Persons may be guilty of a Class 2 misdemeanor for:

- Interfering with an investigation by the NCDOL, including refusing to give information related to the enforcement of the NCWHA.
- Knowingly making a false statement or keeping a false record related to the NCWHA.

(*N.C. Gen. Stat. Ann. § 95-25.21*.)

RECORDKEEPING

13. What are the recordkeeping obligations for each wage and hour law listed in response to Question 1?

NORTH CAROLINA WAGE AND HOUR ACT: N.C. GEN. STAT. ANN. §§ 95-25.1 TO 95-25.25

Unless the employee is specifically exempted, every employer must maintain for three years a complete and accurate weekly work record for each employee, which includes the following information:

- Full name.
- Home address, including zip code and telephone number.
- Date of birth if under 20 years old.
- Occupation in which employed or job title.
- Time of day and day of week the employee's workweek begins (a group of employees working the same workweek may have one record for the entire group).
- Regular rate of pay.
- Hours worked each workday.
- Total hours worked each workweek.
- Total straight-time earnings each workweek.
- Total overtime earnings each workweek.
- Total additions to or deductions from wages.
- Total gross wages paid each pay period.
- Date of each payment.

(N.C. Gen. Stat. § 95-25.15(b); 13 N.C. Admin. Code 12.0801(a).)

Employers must also keep records of:

- Tip credits.
- Costs of meals, lodging or other facilities.
- Start and end time for employees under 18 years old.
- Youth employment certificates.
- Wage deductions.
- Vacation and sick leave policies.
- Policies and procedures relating to promised wages.
- Records required to compute wages under Section 95-25.16 of the North Carolina General Statutes.
- Any other records required by law.

(N.C. Gen. Stat. Ann. § 95-25.15(b); 13 N.C. Admin. Code 12.0801(b), 12.0802.)

STATE GOVERNMENT CONTRACTS

14. Are state government contracts subject to additional wage and hour requirements? If so please describe the governing law and its requirements.

State government contracts are not subject to additional wage and hour requirements in North Carolina.

OTHER SIGNIFICANT DIFFERENCES

15. Please describe any other significant differences between wage and hour law in your state and federal wage and hour law.

North Carolina law does not require employers to provide any vacation or sick time. However, because any vacation or sick time is considered promised wages under North Carolina law, employers must have a policy clearly setting out:

- How each is earned.
- How each can be used.
- Whether each is forfeited when an employee resigns or is terminated.

(N.C. Gen. Stat. Ann. §§ 95-25.2(16) and 95-25.13; 13 N.C. Admin. Code 12.0306(a).)

OFTEN USED WAGE AND HOUR FORMS

16. Please insert web links to any wage and hour forms that are often used by employers from your state's administrative entity administering wage and hour laws.

Wage and hour forms can be found on the North Carolina Department of Labor, Wage & Hour Bureau website.

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