



NOTICE OF TEXT

[Authority G.S. 150B-21.2(c)]

OAH USE ONLY

VOLUME:

ISSUE:

CHECK APPROPRIATE BOX:

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☐
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Notice with a scheduled hearing

Notice without a scheduled hearing

Republication of text. Complete the following cite for the volume and issue of previous publication, as well as blocks 1 - 4 and 7 - 14. If a hearing is scheduled, complete block 5.

Previous publication of text was published in Volume: Issue:

1. Rule-Making Agency: [State Human Resources Commission](#)

2. Link to agency website pursuant to G.S. 150B-19.1(c): <https://oshr.nc.gov/about-oshr/state-hr-commission/proposed-rulemaking>

3. Proposed Action -- Check the appropriate box(es) and list rule citation(s) beside proposed action:

☐ ADOPTION:

☒ AMENDMENT: [25 NCAC 01E .1006](#)

☐ REPEAL:

☐ READOPTION with substantive changes:

☐ READOPTION without substantive changes:

☐ REPEAL through READOPTION:

4. Proposed effective date: [12/01/2025](#)

5. Is a public hearing planned? [Yes](#)

If yes:

Date

Time

Location

[07/16/2025](#)

[9a](#)

<https://ncgov.webex.com/ncgov/j.php?MTID=m4a893014b59e43437ae8fbe60045bfab>

6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:

7. Explain Reason For Proposed Rule(s):

As it exists, 25 NCAC 01E .1006 prevents compensatory time balances from being carried from one agency to another when employees transfer. This can be a disincentive to employees advancing in their careers by moving between agencies; employees may not want to lose the compensatory time balance. Because compensatory time cannot be cashed out or transferred to any other type of leave, there seems to be little reason to not allow transferring employees and the agencies receiving them to keep the employees' compensatory leave balances. The revisions here give agency heads the flexibility to accept compensatory time from another agency when an employee transfers. In proposed new item 01E .1006(3), the first sentence would allow compensatory time, up to 160 hours, to be transferred to another state agency, subject to approval by the receiving agency head. The second sentence would require agencies to administer this flexibility consistently and equitably. In proposed 25 NCAC 01E .1006(4), the phrase that currently prohibits transferring compensatory time between agencies would be removed.

8. Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or email. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 984-236-1850.

Rule(s) is automatically subject to legislative review. Cite statutory reference:

9. The person to whom written comments may be submitted on the proposed rule(s):

Name: Denise Holton Mazza
Address: 333 Fayetteville Street
Raleigh, NC 27601
Phone (optional): 984-236-0823
Fax (optional):
EMail (optional) denise.mazza@nc.gov

10. Comment Period Ends: 09/02/2025**11. Fiscal impact. Does any rule or combination of rules in this notice create an economic impact? Check all that apply.**

No fiscal note required

12. Rule-making Coordinator:

Name: Blake Thomas
984-236-0822
blake.thomas@nc.gov

Agency contact, if any:

Name: Denise H. Mazza
Phone: 984-236-0823
Email: denise.mazza@nc.gov

13. The Agency formally proposed the text of this rule(s) on

Date: 05/06/2025

25 NCAC 01E .1006 Compensatory Time is proposed for amendment as follows:

25 NCAC 01E .1006 COMPENSATORY TIME

Under the state's overtime compensation policy certain employees are designated as administrative, executive or professional. Employees in these categories are exempt from the provision for overtime pay. To grant these employees ~~compensating~~ compensatory time is a decision that must be made by the agency head. When compensatory time is granted to administrative, executive or professional employees, the following shall apply:

- (1) Amount. Compensatory time is awarded at a rate not to exceed the individual's straight time equivalent rate. ~~rate~~;
- (2) Non-cumulative. Compensatory time is not cumulative beyond a 12-month period. For this reason, an employee must be required to take compensatory time as soon as possible after it is credited. ~~credited~~;
- (3) Transferable. Compensatory time, up to 160 hours, may be transferred to another state agency, subject to approval by the receiving agency head. Agencies who agree to receive compensatory time from another state agency must ensure receipt of compensatory leave is administered consistently and equitably.
- ~~(3)~~(4) Non-transferable. Compensatory time is not transferable to any other type of leave ~~leave~~. ~~or to another agency; and~~
- ~~(4)~~(5) Separation. Compensatory time is lost when an employee is separated from state service. The employee's separation date shall not be changed in order to pay for compensatory time.

*History Note: Authority G.S. ~~126-4(5)~~; 126;
Eff. February 1, 1976;
Amended Eff. August 1, ~~2009-2009~~;
Amended Eff. December 1, 2025.*