



Office of State Human Resources

**ROY COOPER**  
*Governor*

**BARBARA GIBSON**  
*Director, State Human Resources*

**TO:** Agency Heads, Chancellors, Human Resources Directors, and Other Interested Parties

**FROM:** Denise H. Mazza, Administrator  
State Human Resources Commission

**DATE:** August 10, 2023

**RE:** Approved Personnel Actions for the August 7, 2023  
State Human Resources Commission Meeting

Please see below the following personnel actions that were approved on August 8, 2023, by the Governor's Office and by the State Human Resources Commission at the August 7, 2023 State Human Resources Commission meeting. These statements are summaries only; see the documentation for full details.

**B. Paid Parental Leave Rules**

On May 16, 2023, Session Law 2023-14 (2023 Senate Bill 20) became law. Part V of the session law enacted new G.S. 126-8.6, which is the first statute providing paid parental leave to state employees. The new law requires the Commission to "adopt rules and policies" to provide paid parental leave. This means that a temporary rule is the fastest possible way to enact a rule on this subject as required by the new law.

Temporary rules 25 NCAC 01E .1901-.1908 Paid Parental Leave were filed with the Office of Administrative Hearings on June 22, 2023 and published on that website. There was a public comment period beginning June 23, 2023 and ending July 19, 2023. The public hearing for the temporary rule was held on Monday, July 10, 2023. No comments were received during either event. Some informal comments were received from other agencies and were incorporated into the proposed rules. See yellow highlighted portions of the temporary rule. The SHRC recommended the approval of the adoption of these rules and the Governor's Office approved of that recommendation on August 8, 2023.

### C. Paid Parental Leave Policy

N.C.G.S. § 126-8.6 provides paid parental leave to state employees. In general, the new parental leave statute is very much like the existing parental leave available under Executive Order 95, the Commission’s Paid Parental Leave Pilot Policy, and the Guidelines and FAQs that OSHR issued to implement the policy and executive order.

Approved changes to this Policy include:

- Reflect changes to N.C.G.S. § 126-8.6 made by House Bill 190, which became law after the last Commission meeting.
- Create a uniform set of benefits matching the structure in N.C.G.S. § 126-8.6 (eight weeks for birthing parents, and four weeks for non-birthing parents) by placing a February 16, 2024 sunset date on the option for agencies to provide the alternative structure historically offered in the policy.
- The changes to this policy will become effective upon approval by the Commission.

### D. Total Rewards: Leave: Leave without Pay Policy

Leave without pay may be granted for illness, education purposes, vacation, or for any other reasons deemed justified by the agency head. Special provisions for leave without pay for military, family and medical, and workers’ compensation are covered in respective policies. Parental leave without pay for employees not eligible for FMLA leave is covered at the end of this policy.

Approved changes to this Policy include:

- Added a cross reference to the FMLA Policy, Paid Parental Leave Policy and Reasonable Accommodation Policy for types of leave that may be available after childbirth.
- The changes to this policy will become effective upon approval by the Commission.

### E. Total Rewards: Leave: Reasonable Accommodation Policy

The Policy was updated to comply with the Pregnant Workers Fairness Act (PWFA). PWFA requires employers to make reasonable accommodations for “known limitations” related to the pregnancy, childbirth, or related medical conditions of a qualified employee, unless such covered entity can demonstrate that the accommodation would impose an undue hardship on the operation of the business of such covered entity.

Approved changes to this Policy include:

- Section 2 of the Policy, “Definitions,” was updated to define the term “known limitations” as it is defined in the Pregnant Workers Fairness Act (PWFA).
- Section 5 of the Policy, “Reasonable Accommodations (Pregnancy),” was updated to include requirements from the PWFA.

- Added a cross reference to the FMLA Policy, Leave Without Pay Policy and Paid Parental Leave Policy.
- The changes to this policy will become effective upon approval by the Commission.

#### F. Talent Acquisition: Recruitment and Posting of Vacancies Policy

State Government shall meet its workforce needs through systematic recruitment, selection, and career support programs that identify, attract, and select from the most qualified applicants for State employment, and encourage diverse representation at all occupational levels of the workforce. No selection decision shall be made that will constitute unlawful discrimination in violation of State and Federal law. This policy applies only to positions that are subject to N.C.G.S.

Approved changes to this Policy include:

- Clarified when a posting is labeled “Internal to Agency” or “Internal to State Agency and University Employees” and states temporary employees are eligible, temporary employees employed by Temporary Solutions or directly by the agency may apply, but not temporary employees of a third-party staffing agency or contractors. See footnote added to Section 7.1.
- The changes to this policy will become effective upon approval by the Commission.

#### G. Diversity and Workforce Services: Disciplinary Action Policy

State employees are expected to meet performance standards and conduct themselves appropriately. This policy is intended to provide tools for addressing employee conduct and performance issues in a reasonable, consistent, and effective manner. Any disciplinary action issued in accordance with this policy must be for just cause. The procedures in this policy provide for progressive discipline to address issues involving unsatisfactory job performance for employees to be given notice of deficiencies and an opportunity to improve them. However, this policy also recognizes that some employee conduct occurring either on-duty or off-duty is so egregious and intolerable that continued employment is not a possibility and progressive discipline is not appropriate. The imposition of any disciplinary action shall comply with the procedural requirements of this Policy.

Approved changes to this Policy include:

- Update the Policy to reflect developments in caselaw and precisely match the Administrative Code provisions on the same topics. See the summary sheet for details of the proposed changes.
- The changes to this policy will become effective September 15, 2023.

#### H. Total Rewards/Salary Administration: Sign-On and Retention Bonus Policy

Programs may develop programs to provide bonuses to recruit or retain employees in hard-to-fill occupations.

Approved changes to this Policy include:

- Two parts of the policy, in sections 2 and 3, discuss employees who are not eligible for a bonus because they already are an employee in North Carolina state government subject to the State Human Resources Act. Both instances of this language, in sections 2 and 3 of the Policy, now use exactly the same language.
- The changes to this policy will become effective August 15, 2023.

#### I. Total Rewards/Salary Administration: Hours of Work and Overtime Compensation Policy

The Hours of Work and Overtime Compensation Policy outlines the state wage and hour regulations and federal compensation requirements. This policy also addresses employees who are exempt from overtime pay, on-call status, travel time, and special provisions on a variety of topics.

Approved changes to this Policy include:

- State Human Resources Director approval is not required when an agency chooses an option involving compensatory time payout for law enforcement, fire protection, or emergency response positions. See § 29.7 of the Policy.
- An agency head recommendation and State Human Resources Director approval, under the exception/variance process set out in the Administrative Code, is required for all other payouts of compensatory time to positions that are designated as exempt from overtime compensation provisions. See §§ 3 and 29.8 of the Policy.
- Also added “Sources of Authority” section to policy and placed policy history in the policy’s text.
- The changes to this policy will become effective October 1, 2023.

The items are available to view on the State Human Resources Commission’s HR Directors’ SharePoint site at:

<https://ncconnect.sharepoint.com/sites/SHRC/HR%20Directors/Forms/AllItems.aspx?id=%2Fsites%2FSHRC%2FHR%20Directors%2F2023%2008%2007%20SHRC%20Meeting&viewid=5ce74308%2Dc66d%2D48f0%2D8c5e%2D94f2018a6219>