

**State Human Resources Commission
Report/Policy Summary
September 24, 2026**

Title of Policy/Report/Rule: 25 NCAC 01E-Employee Benefits

Purpose: The remaining rules in Subchapter E detail administrative provisions for leave and other employee benefits.

Period Covered (if applicable): The changes would become effective following completion of the permanent rulemaking process.

Summary of Proposed Policy/Report/Rule and Revision(s):

We are proposing amending the following rules in Subchapter E through the permanent rule-making process as follows:

- Amend Rule 25 NCAC 01E .0309 to reference transfer of vacation and sick leave between state agencies, local governments, public schools and community colleges. Incorporate new statutory provision around judicial and legislative leave transfer into rule. This rule does not fall within OSHR's rulemaking exception and is cross referenced in the rules for Public Schools.
- Amend the rules in Section .1300 – Voluntary Shared Leave Program as follows:
 - Rule 25 NCAC 01E .1302, Voluntary Shared Leave, is amended to incorporate the definition of immediate family for the purposes of Voluntary Shared Leave into the Voluntary Shared Leave Program section, for clarity, and for changes in rules style guidelines since it was last amended.
 - Rule 25 NCAC 01E .1303, Administration, is amended and retitled Recipient Rules to consolidate into one rule the limits on the leave a recipient may receive, which were previously speak across this Section. These amendments are for clarity and changes in rules style guidelines since it was last amended. This rule now incorporates language from 25 NCAC 01E .1302 and .1305.
 - Rule 25 NCAC 01E .1304, Qualifying to Participate in Voluntary Shared Leave Program, is amended and retitled to address recipient qualification only. The amendments address or clarity and changes in rules style guidelines since it was last amended.
 - Rule 25 NCAC 01E .1305, Donor Guidelines, is amended and retitled to Donor Rules to consolidate in one rule all donor eligibility requirements and donation limits, and restate the limits in hours. The amendments are for clarity and changes in rules style guidelines since it was last amended.
 - Rule 25 NCAC 01E .1306, Leave Accounting Procedures, is amended to reorganize the accounting provisions related to Voluntary Shared Leave. The amendments are for clarity and changes in rules style guidelines since it was last amended.
- Amend the rules in Section .1900 – Paid Parental Leave as follows:
 - 25 NCAC 01E .1901, Definitions, is amended to update the statutory reference to Chapter 126A
 - 25 NCAC 01E .1902, Relationship to Other Rules and Policies, is amended to update the statutory reference to Chapter 126A
 - 25 NCAC 01E .1903, Eligibility for Paid Parental Leave, is amended to update the appointment types and statutory references to align with Chapter 126A. The reference to the prior effective date is removed.

- 25 NCAC 01E .1904, Leave Available to Full-Time Employees, is amended to update the amounts of leave available when an employee becomes a parent to a child to 12 weeks for bonding with the child for both parents.
- 25 NCAC 01E .1905, Leave Available to Part-Time Employees is amended for clarity.
- 25 NCAC 01E .1906, Use of Other Leave, is amended to remove cross-references to rules proposed for repeal and to update the statutory reference to Chapter 126A.
- 25 NCAC 01E .1907, Requesting Use of Paid Parental Leave, is amended to strike subsection (d) and (e) of this rule. This information is in state policy but does not need to be included in the rule as it is not applicable to the rules promulgated by the Department of Public Instruction.
- 25 NCAC 01E .1908, Leave Administration, is amended to strike a portion of subsection (d) related to fraudulent use of Paid Parental Leave. This information is included in policy.
- 25 NCAC 01E .1909, Leave Administration for Adoptions or Foster Care Placements is amended to change the title of the rule to 'Leave Administration for Transfer of Child Custody,' remove the cross reference to the paid parental leave received when an employee becomes a parent to a child, and strike the last sentence of part (b) of the rule.
- 25 NCAC 01E .1910, Miscarriage or Stillbirth, is amended to remove the cross reference to the paid parental leave received when an employee becomes a parent to a child, and strike part (d) of this rule.

We are proposing repeal of the rules below through the rule-making process. This vote would publish the following rules for repeal in the Register. The rules proposed for repeal are either unnecessary, outdated, or covered by OSHR policy. OSHR has a broad rule-making exception in N.C.G.S. 150B-2(8a)(i) and the information in these rules falls within our rule-making exception because all necessary information from the rules is incorporated in the corresponding OSHR policy on the noted topic. The Public Workforce Modernization Act, Chapter 126A replaces Chapter 126 as of October 1, 2026. Therefore, much of the language in the rules no longer accurately corresponds with new Chapter 126A. Where it does not conflict with the law because OSHR has general policy making authority, the policies in these areas require updating and modernization that is prevented by the existing rules.

Repealing these rules will allow OSHR to modernize our policies on leave without going through the rule-making process, making it possible for OSHR to be nimble and create a Human Resources system that can be forward thinking and responsive to changing needs of employees and agencies. We are not proposing repeal of the rules around Voluntary Shared Leave (except one as noted below) or Paid Parental Leave as they do not fall within our rulemaking exception and impact persons outside the purview of Chapter 126A.

- Repeal remaining rules in Section .0100 - Leave: General Provisions
- Repeal remaining rules in Section .0200 - Vacation Leave
- Repeal the following rules in Section .0300 – Sick Leave
 - 25 NCAC 01E .0301 SICK LEAVE CREDITS
 - 25 NCAC 01E .0302 ACCUMULATION
 - 25 NCAC 01E .0303 ADVANCEMENT
 - 25 NCAC 01E .0304 VERIFICATION
 - 25 NCAC 01E .0305 USE OF SICK LEAVE
 - 25 NCAC 01E .0308 LEAVE CHARGES
 - 25 NCAC 01E .0311 SEPARATION
 - 25 NCAC 01E .0312 REINSTATEMENT OF SICK LEAVE
 - 25 NCAC 01E .0314 SICK LEAVE WITHOUT PAY
 - 25 NCAC 01E .0315 LEAVE RECORDS
 - 25 NCAC 01E .0317 DEFINITIONS
- Repeal remaining rules in Section .0700 – Worker’s Compensation Leave
- Repeal remaining rules in Section .0800 – Military Leave

- Repeal remaining rules in Section .0900 – Holidays
- Repeal remaining rules in Section .1000 – Miscellaneous Leave
- Repeal remaining rules in Section .1100 – Other Types of Leave Without Pay
- Repeal 25 NCAC 01E .1306, Leave Accounting Procedures (the necessary information in this rule was incorporated into 25 NCAC 01E .1303).
- Repeal remaining rules in Section .1400 – Family and Medical Leave
- Repeal remaining rules in Section .1600 – Volunteer Service and Child Involvement Leave
- Repeal remaining rules in Section .1800 – Incentive Leave

Commission Action(s) Requested: Motion to adopt the rules in Subchapter 01E as presented.

Associated Rule(s) and Statute(s) (if applicable): N.C.G.S. §126A-7-1 (S.L. 126A-70), §126A-7-2 (S.L. 126A-71), §126A-7-20 (S.L.126A-75), §126A-7-10(a)(1) (S.L. 126A-72), N.C.G.S. §150B-2(8a)(i).

Submitted/Presented by: Anna Perkinson, Deputy General Counsel for Policy and Programs