



NC Employment Law - Quick Reference Guide

A plain-English guide to the employment laws that apply to your business. Last updated: May 2026.

This guide provides general educational information about North Carolina employment law. It is not legal advice. Laws change - consult a qualified employment attorney or HR professional.

1. At-Will Employment

- NC is an at-will state: either party can end employment at any time, for any reason or none, with some exceptions.
- You cannot terminate for protected characteristics or in retaliation for protected activity.
- At-will does not mean firing however you want - process and documentation still matter.
- Include a clear at-will statement in your employee handbook.

2. Wage and Hour Requirements

- NC minimum wage: \$7.25/hour (follows the federal minimum).
- Overtime: non-exempt employees get 1.5x regular rate over 40 hours/week (FLSA).
- Pay frequency: at minimum twice monthly for most employees.
- Wage deductions are strictly regulated and generally require written authorization.

3. Final Paycheck Rules

- Final paycheck is due by the next regular payday after termination, whether they quit or were fired.
- You cannot withhold a final paycheck as leverage.
- Accrued PTO payout depends on your written policy - if it says it pays out, you must pay it.
- Keep a written termination checklist documented before you need it.

4. Required Leave

- FMLA applies at 50+ employees: 12 weeks unpaid leave for qualifying reasons.
- NC has no state-level paid family leave law (as of this writing).
- Jury duty: employees must be allowed to serve without penalty.
- Military leave: USERRA requires leave and reemployment rights.
- NC does not mandate paid sick leave (as of this writing).

5. Anti-Discrimination & Harassment

- Title VII, ADA, ADEA prohibit discrimination on race, color, sex, religion, national origin, age 40+,



disability.

- The NC Equal Employment Practices Act extends similar protections.
- A written anti-harassment policy with a reporting procedure is required at 15+ employees.
- Employers can be liable for supervisor harassment even if unaware.
- Best practice: written policy, annual training, documented investigations.

6. Required Posters

- Federal and NC law require specific workplace posters.
- Federal: FLSA, FMLA (50+), EEOC, OSHA, USERRA, Polygraph Protection Act.
- NC: Wage and Hour Notice, NC OSH poster, NC Workers' Compensation.
- Remote employees may require digital distribution of poster content.
- Free posters: dol.gov and labor.nc.gov.

7. Independent Contractor Rules

- NC and federal law use different worker-classification tests.
- IRS uses a behavioral, financial, and relationship control test.
- NC uses an economic realities test with multiple factors.
- Misclassification penalties: back taxes, unpaid overtime, benefits, IRS/NC DOL penalties.
- Warning signs: only one client (you), your hours, your equipment, core business work.

Want help applying this to your business?

Every business is different. A free 30-minute HR Strategy Call gives you a clear, plain-English read on where your business stands - no pitch, no obligation.

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