

Updates from the Office of the Commissioner Representing Employers



Dear Fellow Texans,

Welcome to your June issue of *Texas Business Today*! The Texas summer is well underway, and I hope you are all keeping cool!

Summertime also means opportunities for summer internships! On June 6th, we officially launched Texas Interns Unite!

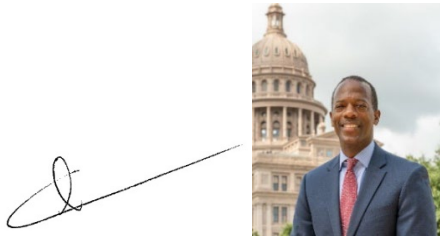
This initiative will allow interns the opportunity to build relationships and strengthen industry connections. If you are an employer or an intern looking to connect, you can join [Texas Interns Unite!](#) on LinkedIn for updates, events, and post or discover internship opportunities.

In addition, we continue to have our series of Texas Conference for Employers and we have seen great turnouts! During 2022, these conferences will be hosted in-person and virtually! To register, and for the most up-to-date list of conferences, please visit: <https://twc.texas.gov/texas-conference-employers>.

As you continue throughout the summer, make sure you take some time to enjoy it! And if you are a Texas employer and have questions about the laws or rules governing vacation time and holiday pay, we've got you covered! Check out the quick read below concerning paid vacation and holiday time.

Our office remains committed to ensuring you have the best and most updated information to assist you with successfully operating your business. Thank you for ALL you do.

Let's Continue to Make Progress!



Aaron Demerson
Commissioner Representing Employers
Texas Workforce Commission



Holiday and Vacation Leave Guidance for Employers

By Elsa Ramos, Legal Counsel to Commissioner Aaron Demerson

Summer is just around the corner. In addition to longer days and hotter weather, the start of summer brings with it the prospect of family road trips and vacations. And surprise! The 4th of July falls on a Monday this year, providing many with the promise of a welcome three-day weekend. With numerous opportunities for fun away from work, employees are likely to request some time off this summer. This may have employers wondering about the laws or rules governing vacation time and holiday pay.

Paid Vacation

Neither Texas nor federal law requires employers to provide any paid or unpaid vacation time to employees. This is a matter fully controlled by employer policy. In other words, employers make the rules when it comes to providing any type of vacation leave for employees.

Companies may choose to have employees accrue vacation days or hours at one specific time each year, such as on the yearly anniversary of hire or by using the beginning of the calendar year as the starting point. Some employers may opt for systems which allow employees to accrue a certain number of hours monthly based on the number of hours worked each month. Of course, other employers may choose a different method altogether.

Each business is free to structure its vacation policy based on what works best for the company. However, it is important to set the policy clearly in writing, since the Texas Payday Law will enforce the leave policy as written.

Whatever system an employer chooses, all employees should be aware of the rules to avoid misunderstandings. For more information about vacation and other leave policies, please review this information from our Texas Guidebook for Employers: https://twc.texas.gov/news/efte/vacation_sick_and_parental_leave_policies.html

Holiday Pay

As with vacation time, no law requires employers to provide paid holidays. Holiday policies are fully at the employer's discretion. Having said that, most employers do provide either some paid time off for employees not working a holiday, or extra pay for employees who are required to work on holidays. As an alternative to extra pay for employees working on a holiday, some employers instead provide compensatory time—to be taken later—to make up for that day.



Certain holidays, such as the 4th of July, Veterans Day, and Christmas, do not fall on the same day of the week each year. This means that at some point they will fall on a weekend. Because this could affect how an employer chooses to pay for a holiday, employers should ensure that the terms of their holiday policies are clear and easy to understand. To learn more about holiday policies, please review information from the Texas Guidebook for Employers: https://twc.texas.gov/news/efte/holiday_policies.html

***A quick reminder, holiday hours that are paid but not worked are not counted as “hours worked” for purposes of overtime pay. Only actual hours worked count toward overtime calculations. See:

https://twc.texas.gov/news/efte/i_hours_worked_no_leave.html ***

While not required, most employers understand that providing their employees benefits, such as paid vacations and holidays, improves employee morale and retention. These perks are also important to an employer's recruitment efforts. With Texas employers having so much flexibility over the structure of their paid leave policies, they should feel confident in their ability to draft policies tailored to fit their specific needs.

IN-PERSON & VIRTUAL



TEXAS CONFERENCE
FOR EMPLOYERS

Sherman, TX - July 15
Abilene, TX - August 5
San Marcos, TX - September 9

\$175 per person
8:30 AM - 4:15 PM


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