Article 5.

Recruitment and Hiring.

Part 1. General Provisions.

§ 126A-5-1. Recruitment and hiring.

(a) The Commission shall establish policies on recruitment and hiring for positions subject to this Article, including the following:

(1) The posting of positions.
(2) Job applications.
(3) Recruitment programs designed to promote public employment, communicate current hiring activities within agencies, and attract a sufficient flow of internal and external applicants.
(4) How to determine the relative fitness of applicants for the respective positions.
(5) The appointment, promotion, transfer, redeployment, demotion, and suspension of employees.
(6) The implementation of the redeployment requirements for employees hired before August 21, 2013, as required by G.S. 126A-5-13.

(b) The Commission shall establish recruitment and hiring policies under subsection (a) of this section that (i) assure recruitment, selection, and hiring procedures are similar across agencies, (ii) encourage open and fair competition for positions and the hiring of a diverse workforce, and (iii) otherwise implement the State's policy of nonpolitical hiring practices in accordance with this Chapter. The Commission shall ensure that the polices address the training necessary for supervisors, management personnel, and personnel professionals to implement the policies. (2026-40, s. 1.)

§ 126A-5-2. Posting positions.

(a) Each agency shall publicly post and accept applications in a fair and open competition to hire for any permanent or time-limited positions subject to this Article, unless the agency head determines, based on business needs and in accordance with Commission policy, that the agency will not openly recruit for the vacancy. Any vacancy for which an agency is openly recruiting shall be posted on a website maintained by OSHR.

(b) Each State agency may determine whether a vacancy is open only to applicants within the agency or currently employed by another State agency. Each local agency may determine whether a vacancy is open only to applicants within the agency. These vacancies shall be marked as internal when posted to the website maintained by OSHR.

(c) Each position post shall include a closing date unless the agency approves a continuous position. (2026-40, s. 1.)

§ 126A-5-3. Private personnel service.

(a) An agency may retain a private personnel service to assist in finding candidates for a position, subject to the limitations of this section.

(b) No person, firm, or corporation shall collect, accept, or receive any compensation, consideration, or thing of value for obtaining on behalf of any other person, or aiding or assisting any other person in obtaining, employment with an agency, except as provided in subsection (c) of this section.

(c) Any business that has been licensed for more than one year by the Department of Labor as a private personnel service may collect regular and customary fees for services rendered

pursuant to a written contract when the fees are paid by someone other than the agency. Any private personnel service collecting fees under this section shall make a monthly report to the Department of Labor listing the name of the private personnel service collecting fees and the person for whom a job was found, the nature and purpose of the job obtained, and the amount of the fee collected.

(d) A violation of this section shall constitute a Class 1 misdemeanor. (2026-40, s. 1.)

§ 126A-5-4. Increasing efficiency of application process.

(a) OSHR shall streamline the application process for agency positions by enabling applicants to upload resumes or website profiles. An applicant is responsible for ensuring that all information required for initial screening appears correctly in the completed application after importing his or her resume or profile.

(b) Any additional information not typically found on resumes and not needed for initial screening, such as references or answers to supplemental questions, may be collected by agencies later in the selection process, including during an interview. (2026-40, s. 1.)

§ 126A-5-5. Hiring from pool of most qualified candidates.

(a) Agencies shall select an applicant to hire for a position from the pool of the most qualified candidates using fair and valid selection criteria. A qualified candidate is a person who timely applied for the position and meets the minimum qualifications for the position classification. Any additional knowledge, skills, and abilities listed in the posting for the position beyond the minimum qualifications are management preferences.

(b) When selecting qualified candidates pursuant to subsection (a) of this section, an agency may use skills-based hiring to determine whether a person meets the minimum qualifications based on demonstrated competencies, instead of solely based on education, experience, or credentials. An agency may use an assessment process that tests whether the applicant demonstrates sufficient competency or skill level in a technical discipline, behavioral skills, or other relevant competencies necessary to perform the work for the position classification. Agencies using an assessment process shall ensure that it is fair and reasonably related to predicting success in the position.

(c) Notwithstanding subsection (a) of this section, agencies may offer experiential programs to candidates not meeting the minimum qualifications for the position classification. An agency may identify positions appropriate for a permanent or non-permanent experiential appointment and hire an applicant who is expected to meet the minimum qualifications for the position classification following a fixed time period of employment and education or training that occurs while employed, not to exceed four years. Employees hired into experiential appointments may be selected for the position regardless of whether there are qualified candidates in the applicant pool. An experiential appointment hiring is exempt from the hiring priorities identified in G.S. 126A-5-11. (2026-40, s. 1.)

§ 126A-5-6. Political hiring limited.

(a) Each agency shall select from the pool of the most qualified candidates as required by G.S. 126A-5-5, without regard to political affiliation or political influence.

(b) It is a violation of this section if all of the following are met:

(1) The complaining applicant timely applied for the position.

(2) The complaining applicant was not hired into the position.

(3) The complaining applicant was among the most qualified candidates applying for the position as compared to other applicants for the position using fair and valid selection criteria.
(4) The successful applicant for the position was not among the most qualified candidates for the position.
(5) The hiring decision was based upon political affiliation or political influence. (2026-40, s. 1.)

§ 126A-5-7. Hiring candidate from most qualified pool in previous posting.

(a) An agency may directly hire into a vacant position without posting if all of the following are met:
(1) The agency has previously posted for recruitment, in accordance with G.S. 126A-5-2, a position that has the same classification or a comparable classification to the vacant position.
(2) The person to be hired applied to the previous vacancy.
(3) The agency determined the person to be among the most qualified candidates for the previous vacancy in accordance with G.S. 126A-5-5, but did not hire the person.
(4) The person to be hired meets the minimum qualifications for the position classification of the vacancy and will have a salary set within the vacant position's salary range.

(b) A hiring under this section is not subject to the other requirements of this Article. (2026-40, s. 1.)

§ 126A-5-8. Non-permanent to permanent hiring.

(a) An agency may directly hire an employee serving in a non-permanent position into a vacant permanent position if all of the following are met:
(1) The employee was employed directly by the agency or through JoinNC in the non-permanent appointment.
(2) The employee has worked for a minimum of three months in a substantially similar role, excluding any mandatory breaks required under G.S. 126A-11-2, with satisfactory performance.
(3) The employee meets the minimum qualifications for the position classification and the employee's salary is set within the vacant position's salary range.
(4) The hiring manager and the hiring manager's supervisor approve the hiring.

(b) The Director may waive the requirements of subdivisions (3) and (4) of subsection (a) of this section in his or her discretion.

(c) A hiring under this section is not subject to the other requirements of this Article. (2026-40, s. 1.)

§ 126A-5-9. Lateral transfers.

Notwithstanding the posting requirements of G.S. 126A-5-2, based on its business or operational needs, an agency may transfer an existing employee into a vacant position with the same classification at an equal or higher salary at the agency with the consent of the employee. Employees in supervisory positions may be transferred pursuant to this section only if the

employee is not a career employee or the transfer is to another supervisory position. (2026-40, s. 1.)

§ 126A-5-10. Consider applications for vacancies in the same or similar classification.

(a) Each agency may offer qualified candidates the option to have their applications considered for future positions at other agencies within the same classification or comparable classification.

(b) OSHR may maintain a pool of qualified applicants for vacancies in particular classifications that are accessible for agencies to use for recruitment and hiring. (2026-40, s. 1.)

§ 126A-5-11. Order of hiring priority.

The following is the order of hiring priority for any position subject to this Article:

(1) The career employee promotional priority under G.S. 126A-5-12.

(2) At equal priority, the following:

a. The reduction-in-force priority under G.S. 126A-9-4.

b. The reemployment rights for certain exempt policymaking or exempt managerial employees under G.S. 126A-5-13.

(3) The preference for veterans, National Guard members, and spouses of active-duty troops under G.S. 126A-5-14. (2026-40, s. 1.)

§ 126A-5-12. Career employee promotional priority.

If a career employee in a position subject to this Article meets all of the following, the employee shall receive priority consideration over an applicant who is not a career employee:

(1) The career employee applies for a position at an agency that would constitute a promotion.

(2) The career employee has substantially equal qualifications to any applicant who is not a career employee. (2026-40, s. 1.)

§ 126A-5-13. Reemployment rights for employees hired before August 21, 2013.

(a) An exempt policymaking or exempt managerial employee may be transferred, demoted, or separated from his or her position by the agency head authorized to designate the exempt position except as follows:

(1) When an employee who has the minimum service requirements to be a career employee but less than 10 years of cumulative service in subject positions prior to placement in an exempt policymaking or exempt managerial position is removed from an exempt policymaking or exempt managerial position, for reasons other than just cause, the employee shall have priority to any position that becomes available for which the employee is qualified, according to policies regulating and defining priority established by the Commission.

(2) When an employee who has 10 years or more cumulative service, including the immediately preceding 12 months, in subject positions prior to placement in an exempt policymaking or exempt managerial position is removed from an exempt policymaking or exempt managerial position, for reasons other than just cause, the employee shall be reassigned to a subject position within the same agency, or if necessary within another agency, at the same grade and salary,

including all across-the-board increases since placement in the position designated as exempt, as his or her most recent subject position.

(3) When a career employee who has more than two but less than 10 years of cumulative service in a subject position moves from one exempt policymaking or exempt managerial position covered by this subsection to another exempt policymaking or exempt managerial position covered by this subsection without a break in service and that employee is later removed from the last exempt policymaking or exempt managerial position, for reasons other than just cause, the employee shall have priority to any position that becomes available for which the employee is qualified, according to the policies regulating and defining priority as established by the Commission.

(4) When a career employee who has 10 years or more of cumulative service moves from one exempt policymaking or exempt managerial position covered by this subsection to another exempt policymaking or exempt managerial covered by this subsection without a break in service and that employee is later removed from the last exempt policymaking or exempt managerial position, for reasons other than just cause, the employee shall be reassigned to a subject position within the same agency, or if necessary, within another agency. The employee shall be paid at the same grade and salary as the employee's most recent subject position, including all across-the-board legislative increases awarded since the employee's placement in the position that was designated as exempt.

(b) An agency head is authorized to use existing budgeted positions within his or her agency to carry out the provisions of subsection (a) of this section. If it is necessary to meet the requirements of subsection (a) of this section, an agency head may use salary reserve funds authorized for his or her agency. (2026-40, s. 1.)

§ 126A-5-14. Preference for veterans, National Guard members, and spouses of active-duty troops.

(a) It shall be the policy of the State of North Carolina that, in appreciation for their service to this State and this country, and in recognition of the time and advantage lost toward the pursuit of a civilian career, veterans, eligible members of the National Guard, and other eligible persons under this section shall be granted preference in employment for positions subject to the provisions of G.S. 126A-5-2 with every agency.

(b) Definitions. – The following definitions apply in this section:

(1) Eligible member of the National Guard. – Any of the following:

a. A resident of North Carolina who is a current member in good standing of either the North Carolina Army National Guard or the North Carolina Air National Guard.

b. A resident of North Carolina who is a former member of either the North Carolina Army National Guard or the North Carolina Air National Guard, whose discharge is under honorable conditions with a minimum of six years of creditable service.

c. The surviving spouse or dependent of a member of the North Carolina Army National Guard or the North Carolina Air National Guard.

(2) Eligible person. – Any of the following:

a. A veteran.

b. The spouse of a disabled veteran.
c. The surviving spouse or dependent of a deceased veteran.
d. An eligible member of the National Guard.
e. The spouse of a service member who is serving in the Armed Forces of the United States on active duty.

(3) Veteran. – A person who served in the Armed Forces of the United States on active duty, for reasons other than training, and has been discharged under other than dishonorable conditions.

(c) The Commission shall establish a policy to provide for a veteran and National Guard preference. The policy shall include a provision that any eligible person who has reason to believe that he or she did not receive a veteran's preference in accordance with the provisions of this section or policies adopted under it may appeal that denial as provided by G.S. 126A-8-4 and G.S. 126A-8-5.

(d) G.S. 128-15 shall apply to those persons exempted from coverage of this section but shall not apply to any person covered by this section. (2026-40, s. 1.)

Part 2. Interchange of Governmental Employees.

§ 126A-5-20. Interchange of governmental employees.

(a) Short Title. – This section shall be known and may be cited as the "North Carolina Interchange of Governmental Employees Act."

(b) Definitions. – The following definitions apply in this section:

(1) Assigned employee. – An employee of a sending agency who is assigned or detailed to a receiving agency as part of the employee's regular duties with the sending agency.

(2) Employee on leave. – An employee on leave of absence without pay from a sending agency who becomes an employee of a receiving agency while on leave from the sending agency.

(3) Receiving agency. – Any division, department, agency, instrumentality, authority, or political subdivision of the federal government or of a state or local government which, under this section, receives an employee of another governmental division, department, agency, instrumentality, authority, or political subdivision of the federal government or of a state or local government.

(4) Sending agency. – Any division, department, agency, instrumentality, authority, or political subdivision of the federal government or of a state or local government which, under this section, sends any employee thereof to another governmental division, department, agency, instrumentality, authority, or political subdivision of the federal government or of a state or local government.

(c) Authority to Interchange Employees. – The authority for the interchange of employees is as follows:

(1) Any division, department, agency, instrumentality, authority, or political subdivision of the State of North Carolina may participate in a program of interchange of employees with divisions, departments, agencies, instrumentalities, authorities, or political subdivisions of the federal

government, of another state, or of this State, as a sending agency or a receiving agency.

(2) The period of individual assignment, detail, or leave of absence under an interchange program shall not exceed two years.

(3) The temporary assignment of the employee may be terminated by mutual agreement between the sending agency and the receiving agency.

(4) Elected officials may not participate in a program of interchange.

(d) Status of Employees of Sending Agency. – The status of employees of a sending agency is governed as follows:

(1) Employees of a sending agency participating in an exchange of personnel authorized by subsection (c) of this section may be considered during such participation to be either assigned employees or employees on leave.

(2) Assigned employees shall be entitled to the same salary and employment benefits to which they would be entitled as employees of the sending agency and shall remain employees of the sending agency for all purposes unless otherwise provided in this section or in a written agreement between the sending agency and the receiving agency.

(3) Employees on leave shall have the same rights, benefits and obligations as other State or local employees subject to this Chapter who are granted leaves of absence, unless otherwise provided in this section, or in a written agreement between the sending agency and the receiving agency.

(4) Employees of a sending agency of this State participating in an exchange of personnel authorized by subsection (c) of this section, whether considered assigned employees or employees on leave, shall have the same rights, benefits and obligations to participate in and receive benefits, including death benefits, from any retirement system of which they are members as employees of the sending agency if the receiving agency agrees to and makes the employer contributions and deducts from the salary of the employee the employee contributions for continued membership in that retirement system, whether they are members of the Teachers' and State Employees' Retirement System, the North Carolina Local Governmental Employees' Retirement System, the Law Enforcement Officers' Benefit and Retirement Fund, or any other Retirement System established by the State for public employees. If the employee remains entitled to death benefits resulting from his or her death during the period of the exchange, where duplicate benefits would otherwise be payable on account of disability or death, the employee or his or her estate shall elect, within one year of the date of disability or death, which benefits to receive.

(e) Travel Expenses of Employees from this State. – A sending agency in this State shall not pay the travel expenses of its assigned or on leave employees and shall not pay the travel expenses of such employees incurred in the course of performing work for the receiving agency. [These] expenses shall be borne by the receiving agency.

(f) Status of Employees of Other Governments. – The status of employees of other governments is governed as follows:

(1) When a division, department, agency, instrumentality, authority, or political subdivision of the State of North Carolina acts as a receiving agency, assigned employees of the sending agency remain the employees of the sending agency

and continue to receive the employment benefits of the sending agency unless otherwise specified in a written agreement between the sending agency and the receiving agency.

(2) When a division, department, agency, instrumentality, authority, or political subdivision of this State acts as a receiving agency, employees on leave from the sending agency will receive appointments as employees with the receiving agency and will be entitled to the same employment benefits as other employees of the receiving agency unless otherwise specified in a written agreement between the sending agency and the receiving agency. Such appointments may be made without regard to any rules or regulations of the receiving agency regarding the selection of employees; but applicable rules of the North Carolina Human Resources Act shall apply to the assigned employees.

(g) Travel Expenses of Employees of Other Governments. – A receiving agency in the State of North Carolina may, in accordance with its travel regulations and travel regulations by law, pay the travel expenses incurred in the course of an assigned employee's duties or incurred in the course of the duties of an employee on leave with the receiving agency on the same basis as the travel expenses of regular employees are paid.

(h) Administration. – The Commission and any State division, department, agency, instrumentality, authority, or political subdivision participating in an interchange of employees program may promulgate rules or regulations necessary for the administration of such program, so long as such rules or regulations do not conflict with the provisions of this section or any other provision of law. (2026-40, s. 1.)