

State	Vacation payout upon termination required?	Use-it-or-lose-it ok?	Additional Information
Alabama	No. Employers must follow their policy.	Yes	If an employer has a formal vacation policy, it may not unilaterally rescind that policy. Employers must notify employees in advance if they decide not to continue paying accrued, unused vacation upon separation.
Alaska	No. Employers must follow their policy.	Yes	An employer's policy or agreement determines whether earned, unused vacation is paid on separation.
Arizona	No. Employers must follow their policy.	Yes	Earned vacation time is considered wages when an organization has established policies or precedent of paying employees for this time. An employer's policy or agreement determines whether earned, unused vacation is paid on separation.
Arkansas	No. Employers must follow their policy.	Yes	An employer's policy or agreement determines whether earned, unused vacation is paid on separation.
California	Yes	No	All accrued vacation is considered earned wages and must be paid out upon termination at final rate of pay, regardless of the reason for the separation. While, California prohibits policies that make employees take vacation by a certain date or lose it, an employer can place a reasonable cap on vacation leave preventing an employee from accruing or earning vacation over a certain number of hours.
Colorado	Yes	Yes	If an employer provides paid vacation for an employee, the employer shall pay upon separation from employment all vacation pay earned and determinable in accordance with the terms of any agreement between the employer and the employee.
Connecticut	Yes	Not addressed by the state	If an employer policy or collective bargaining agreement provides for the payment of accrued fringe benefits upon termination, including paid vacations, and an employee is terminated without having received such accrued fringe benefits, such employee shall be compensated for such accrued fringe benefits exclusive of normal pension benefits in the form of wages in accordance with such agreement or policy.
Delaware	No. Employers must follow their policy.	Not addressed by the state	Any employer who is party to an agreement to pay vacation pay to any employee shall pay the amount necessary within 30 days after such payments are required to be made.
District of Columbia	No. Employers must follow their policy.	Not addressed by the state	Employers must compensate vacation pay upon termination if vacation pay is part of employee compensation or if there is no agreement or policy against it.
Florida	No	Not addressed by the state	Not addressed by the state
Georgia	No	Not addressed by the state	There is no requirement for vacation pay to be provided before or after termination.
Hawaii	No. Employers must follow their policy.	Not addressed by the state	Employers must provide vacation leave policies to employees in writing or through a notice in an accessible

			place. Any changes to vacation leave policies must be given to employees in writing before the date of change.
<b>Idaho</b>	No. Employers must follow their policy.	Not addressed by the state	Vacation pay policies are matters for agreement between the employee and employer. Employees must be notified of any policy changes before they go into effect.
<b>Illinois</b>	Yes	Yes	Employers are required to pay the total monetary value of earned and unused vacation pay at employee termination. This applies even if the employee quits or is fired.
<b>Indiana</b>	Yes	Yes	If, according to an employee's employment contract, certain conditions must be met before earned vacation pay can be paid, those same conditions will still apply if an employee is terminated.
<b>Iowa</b>	No. Employers must follow their policy.	Not addressed by the state	Unused vacation pay is only required when an employer has a contract, agreement, policy, or procedure that dictates so.
<b>Kansas</b>	No. Employers must follow their policy.	Yes	Employers may adopt a vacation policy that only allows employees to earn vacation pay when they reach an anniversary date. If this is the case, employers can also make no payment to an employee if they stop working before the anniversary date.
<b>Kentucky</b>	No. Employers must follow their policy.	Not addressed by the state	If an employer offers vested vacation pay, it is treated as regular wages and must be paid upon employee termination.
<b>Louisiana</b>	Yes	Yes	Employers cannot require employees to sign a contract or policy taking away any accrued wages (including vacation pay) upon termination. Additionally, employers must compensate terminated employees before the next payday or within 15 days (whichever comes first), or they will be liable to 90 days of the employee's wages at the employee's normal rate.
<b>Maine</b>	No. Employers must follow their policy.	Yes	Employers are only required to pay accrued vacation pay upon employee termination if they have a policy that requires it.
<b>Maryland</b>	No	Not addressed by the state	If an employee is not informed at the beginning of their employment that their accrued vacation time will be lost upon termination, that employee may claim their accrued vacation pay. If an employer does not have a written policy specifying that vacation pay will be lost at termination, then employees are entitled to the full cash value of accrued vacation pay.
<b>Massachusetts</b>	Yes	Yes	Employers must give adequate notice of a use-it-or-lose-it policy so employees have enough time to use their vacation time. Employers must treat vacation pay as wages upon termination and cannot, in any way, exempt themselves from paying accrued vacation pay upon employee termination.
<b>Michigan</b>	No. Employers must follow their policy.	Not addressed by the state	All fringe benefits are required to be paid in accordance with contracts or written policies. Vacation pay is not considered wages.

<b>Minnesota</b>	No. Employers must follow their policy.	Not addressed by the state	Employer policy determines when benefits are due. If there are benefits due and an employer neglects to pay them, employees may file a claim.
<b>Mississippi</b>	No	Not addressed by the state	Employer contract determines vacation pay upon termination.
<b>Missouri</b>	No	Not addressed by the state	Wages do not include vacation pay.
<b>Montana</b>	No. Employers must follow their policy.	No	Employer policy determines vacation pay upon termination. Though use-it-or-lose-it is prohibited, employers may have a maximum cap policy on accrued vacation time.
<b>Nebraska</b>	Yes	No	All accrued vacation pay must be paid to employees upon termination, unless the employer and employee or the employer and the collective-bargaining representative have specifically agreed otherwise. A contract must be signed at the beginning of employment or at least 90 days before employee termination, whichever is later.
<b>Nevada</b>	No. Employers must follow their policy.	Not addressed by the state	An employer is not required to provide compensation for accrued and unused vacation time unless the employee is rehired by the employer within 90 days after separation from that employer and the separation from employment was not due to the employee voluntarily leaving his or her employment. In this case, all unused vacation time must be returned to the employee.
<b>New Hampshire</b>	No. Employers must follow their policy.	Yes	Vacation pay is only considered wages when an employer policy determines vacation pay is due.
<b>New Jersey</b>	No. Employers must follow their policy.	Not addressed by the state	If an employer chooses to provide vacation pay they must give it uniformly and in accordance with established policies or agreements.
<b>New Mexico</b>	No	Not addressed by the state	There is no statute that requires employers to pay vacation pay.
<b>New York</b>	No. Employers must follow their policy.	Not addressed by the state	Employers can specify, in written policy that employees will lose vacation pay upon termination. If this policy is not in writing, then employers are required to pay the employee for any accrued vacation time.
<b>North Carolina</b>	No. Employers must follow their policy.	Yes	Employers must specify in writing the guidelines for accruing vacation pay, vacation pay upon termination, and any use-it-or-lose-it policies.
<b>North Dakota</b>	Yes	Yes	Employers must pay all accrued vacation time upon termination, with a few exceptions. If the employee leaves voluntarily an employer may withhold vacation pay if the employer gave a written notice at the beginning of employee's employment, the employee has been employed for less than a year, or the employee gave less than five days notice. A private employer may withhold vacation pay if it was awarded and not yet earned or the employer provided a notice before vacation pay was awarded. Employees must have notice and ample time to use vacation time for a use-it-or-lose-it policy.
<b>Ohio</b>	No. Employers must follow their policy.	Not addressed by the state	Any vacation pay upon termination is determined by the employer's policy or agreement.

Oklahoma	No. Employers must follow their policy.	Yes	Employers only have to pay accrued vacation time upon termination if their policy specifies it.
Oregon	No. Employers must follow their policy.	Not addressed by the state	Vacation pay is considered a wage agreement between employers and their employees. Employers are only required to provide vacation pay or compensate employees for unused vacation pay if it specifies it in their agreement.
Pennsylvania	No. Employers must follow their policy.	Not addressed by the state	Employers are not required to provide vacation pay or compensate employees for unused vacation pay unless they have an agreement that specifies so.
Rhode Island	Yes	Not addressed by the state	After one year of employment, all accrued vacation pay becomes wages and must be payed upon employee termination.
South Carolina	No. Employers must follow their policy.	Not addressed by the state	Employers must give employees notice of the vacation pay policy and not differ from it.
South Dakota	No	Not addressed by the state	Not addressed by the state.
Tennessee	No. Employers must follow their policy.	Not addressed by the state	An employee only receives accrued vacation pay upon termination if the employer has a written policy that states so.
Texas	No. Employers must follow their policy.	Yes	Employers should create a clear vacation pay policy that specifies whether the employee will be paid for any accrued and unused vacation pay upon termination.
Utah	No. Employers must follow their policy.	Yes	Employers must create a policy for vacation time and follow it. If an employer wants to institute a use-it-or-lose-it policy, it must be explicitly stated in their policy or they will have to pay employees for any unused accrued vacation time.
Vermont	No. Employers must follow their policy.	Not addressed by the state	Employers are not required in any way to pay benefits upon separation. Employers who have a written agreement for vacation pay are liable to their employees for the benefits specified in the agreement.
Virginia	No. Employers must follow their policy.	Yes	An employer's policy or employee contract governs whether earned, unused vacation is paid on separation.
Washington	No. Employers must follow their policy.	Not addressed by the state.	Employers may, but aren't required to, provide benefits through a policy or collective bargaining agreement. Employers must follow their own policy.
West Virginia	No. Employers must follow their policy.	Not addressed by the state.	Employers are responsible for creating a written policy if they choose to offer vacation pay. Employers may change their existing policy with a written notice to all employees. If an employer choses to change or discontinue their vacation pay policy, employees must be allowed to use the vacation time accrued under the previous policy. Additionally, employers may choose to payout benefits upon termination to some employees and not others if it is specified in their policy.
Wisconsin	No. Employers must follow their policy.	Not addressed by the state.	Employers may choose to create a benefits policy, but it is not required. If an employer has a written vacation policy and doesn't include a written forfeit policy, then the employer is required to pay the employee for any accrued and unused vacation time upon termination.

Wyoming	No. Employers must follow their policy.	Yes	Employers do not have to pay terminated employees for accrued and unused vacation time if they have a written policy that states so, and the employee acknowledged the policy.
---------	---	-----	--