



Holiday Pay

Frequently Asked Questions

What holidays must I provide to my employees?

The California Department of Industrial Relations specifies, "California law does not require that an employer provide its employees with paid holidays." Federal and state employees have designated legal holidays. However, private employers determine which holidays to observe and whether they will be paid or unpaid.

Should you choose to offer paid holidays, you decide which holidays will be observed and determine the eligibility requirements. You can also stipulate that a nonexempt employee be employed for a specified period of time prior to eligibility.

It is good business practice to provide employees with a list of days the office will be closed for holidays and whether the employees will be paid during those closures. **Note:** It is recommended that you review and post this list annually, as some may fall on days the office is already closed, in which case you will want to decide whether to observe the holiday on an alternative day and, if so, which day. Be sure to include your paid holiday policy, if any, in your employee manual and notify employees of any changes.

I noticed that some holidays fall on Saturday this year. Since my office isn't open on weekends, do I still have to pay my employees holiday pay?

Unless there is an existing policy in place, California law does not require employers to pay employees holiday pay if the employees do not work on those holidays.

However, if an employer wishes to compensate an employee when a holiday falls on a day the office is typically closed, add language to the employee manual to address this situation. Often an employer will offer Friday as a holiday if the designated holiday falls on a Saturday or offer Monday as a holiday if the designated holiday falls on a Sunday.

How do I pay an employee who is required to work on a holiday?

California law does not require a private employer to provide employees paid holidays. Additionally, there is nothing in the law that mandates an employer to pay an employee a special premium for work performed on a holiday, Saturday or Sunday, other than overtime pay if the employee works more than eight hours in a workday or 40 hours in a workweek.

However, if other employees are given the holiday off with pay, California courts have held that you must make up the lost benefit to the employee in some manner. Some employers offer the employee another day off with pay or pay the employee for the hours worked plus an additional day of pay to reflect the holiday.

Exempt employees (those employees exempt from federal overtime laws) who perform any work during the workweek in which a holiday occurs must be paid their full weekly salary whether they work on the actual holiday or not and whether or not the holiday is considered a paid holiday.

Holiday policy should be included in the employee manual and should address what happens when an employee has to work on a day that was previously designated a paid holiday.

I provide my employees with five paid holidays a year, however, another dentist in town told me I am required to pay for 13 holidays a year. Is this true?

There is nothing in state law that requires an employer to close business on any particular day. It is up to the employer to select which days, if any, to be closed for business. If an employer is open on a holiday and schedules an employee to work that day, there is nothing in the law that obligates an employer to pay anything beyond regular pay and any overtime hours worked.

Should you choose to provide holiday benefits to your employees, sample policy language can be found in [CDA's Sample Employee Manual](#).