

2026 CITY OF SAN JOSE – AMSP AND CAMP NEGOTIATIONS

CITY COUNTERPROPOSAL TO IFPTE PROPOSAL #24 – VACATION SELL BACK

City Proposed Language:

8.2 Vacation

8.2.1 Vacation accrues at the following rate for each paid hour (either worked or paid absence or holiday closure):

Years of Service	Annual Accrual (Full Time)
1 – 5	120 hours
6 – 14	160 hours
15+	200 hours

Part-time benefited employees accrue vacation on a prorated basis.

8.2.2 Employees will continue to accrue vacation at the current rate in accordance with their years of service. Employees may only accrue vacation up to a maximum of two (2) times their annual accrual rate. Once an employee reaches their maximum accrued vacation limit, the employee will not accrue vacation until their vacation balance falls below the maximum limit.

Employees who currently have accrued vacation balances that are in excess of the limits below, will maintain their current balance, however they will not accrue vacation until their balance falls below the maximum limit, or have sold back an amount that brings them below their maximum accrual amount.

Years of Service	Maximum Accrued Vacation
1 – 5	240 hours
6 – 14	320 hours
15+	400 hours

8.2.2.1 ~~Beginning calendar year 2019, employees may sell back up to a maximum of sixty (60) hours of accrued vacation.~~

8.2.2.12 Beginning calendar year ~~2024~~ 2027, employees may sell back up to a maximum of ~~seventy (70)~~ eighty (80) hours of accrued vacation per calendar year.

8.2.2.23 Internal Revenue Service (IRS) regulations require the City to report and withhold taxes on the value of the vacation time an employee is eligible to sell back. In order to ensure compliance with the IRS requirements and to avoid unanticipated tax consequences.

| 8.2.2.34 Employees must elect the number of vacation hours they will sell back during a calendar year, up to the maximum of seventy (70) hours, by the end of November of the prior year. If an employee does not submit an irrevocable election form to Payroll on or before the end of November, the employee will not be eligible to sell back any vacation hours during the next calendar year.

| 8.2.2.45 The election to sell back vacation hours in any year is irrevocable. This means that employees must sell back the elected number of accrued vacation hours during that year. If the accrued vacation hours are not sold back within the designated calendar year the employee will be deemed to have received the value of the vacation hours elected in that calendar year and will be taxed by the IRS accordingly.

| 8.2.2.56 Employees can elect to sell back only vacation hours accrued during any given year, and any vacation hours accrued and carried over prior to that year are not eligible for sell back during that year.

| 8.2.2.67 Any vacation hours accrued during that year will not be available for use until the employee's accrued vacation hours in that year equal the number of hours the employee has elected to sell back. Those vacation hours accrued in the given year over the number of hours the employee elected to sell back in the given year will be available for use by the employee. This means that hours elected for sell back may only be used for sell back purposes and cannot be used for vacation time off purposes.

| 8.2.2.78 Employees may use any vacation hours accrued and carried over prior to the given year, subject to the normal rules of requesting use of vacation.