NEBRASKA'S NEW PAID SICK TIME LAW EXPLAINED

BY KATIE RUNGE, KOLEY JESSEN, OMAHA

ON NOV. 5, 2024, NEBRASKA VOTERS APPROVED BALLOT

Initiative 436, enacting the Nebraska Healthy Families and Workplaces Act, which requires most private employers to provide paid sick time starting Oct. 1, 2025. In response, the Nebraska Legislature passed LB 415 to clarify and amend the Act's requirements.

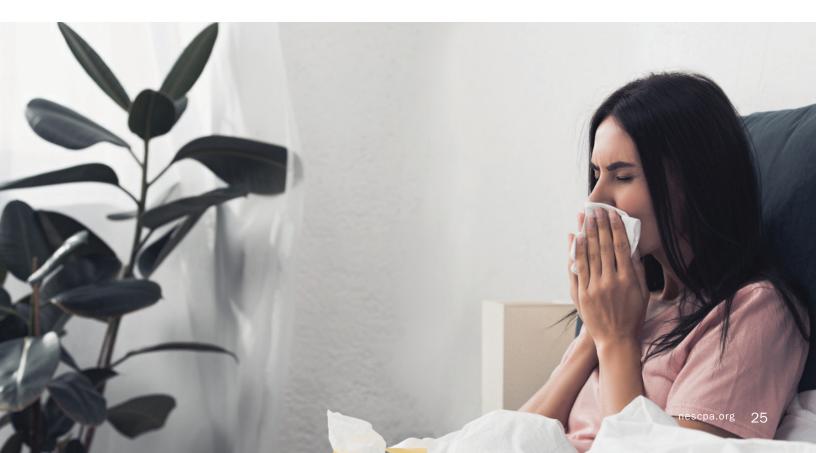
All employees (whether full-time, part-time, temporary, etc.) who work at least 80 hours of consecutive employment in a calendar year in Nebraska for an employer with 11 or more employees are entitled to accrue paid sick time unless otherwise exempt under the Act. The law exempts the following categories of employees from coverage: individual owner-operators, independent contractors, individuals working in Nebraska fewer than 80 hours per calendar year, temporary or seasonal agricultural employees, employees under age 16, and employees covered by the federal Railroad Unemployment Insurance Act.

The Act requires that eligible employees accrue one hour of paid sick time for every 30 hours worked, with the annual accrual and use of paid sick time capped based on employer size. Employers with 11 to 19 employees must allow eligible employees to accrue

up to 40 hours per year, while those with 20 or more employees must allow eligible employees to accrue up to 56 hours per year. All unused paid sick time must carry over from year to year; however, employers may avoid the carryover requirement by frontloading the full annual allotment at the beginning of the year and paying out any unused balance at year-end.

Employees may use paid sick time for the following reasons:

- a) An employee's mental or physical illness, injury, or health condition; an employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;
- b) Care of a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; care of a family member who needs preventive medical care; or in the case of a child, to attend a meeting necessitated by the child's mental or physical illness, injury, or health condition, at a school or place where the child is receiving care; or



c) Closure of the employee's place of business by order of a public official due to a public health emergency; an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency; or an employee's need to self-isolate or care for the employee or a family member when it has been determined by the health authorities having jurisdiction or by a health care professional that the employee's or family member's presence in the community may jeopardize the health of others because of exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

The Act broadly defines "family member" to include an employee's child, parent, spouse, grandparent, grandchild, or sibling, whether biological, adoptive, step, or foster—as well as *any individual* related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

An employer may request documentation—such as a note from a health-care provider—only when the employee's absence lasts more than three consecutive workdays. Leave taken under the Act may be taken in the smaller of hourly increments or the smallest increment used for other absences.

LB 415 affirms that existing paid leave policies, including PTO policies, can fulfill the Act's requirements, provided the policy complies with all provisions of the Act. Paid sick time is not

required to be paid out upon separation of employment. However, if an employer uses a combined PTO policy (vacation and sick), all accrued but unused paid time off must be paid out when employment ends.

Employers were required to provide written notice of the Act to employees by Sept. 15, 2025. Additionally, employers must display a poster containing the information required in the notice. If an employer does not maintain a physical workplace or an employee works remotely, the employer must provide notice of such information via electronic communication.

NEXT STEPS FOR EMPLOYERS

Since the Oct. 1, 2025, effective date has passed, employers should have evaluated current paid leave policies to ensure compliance with the Act and determined if policy modifications are required. Those who have not yet done so should act promptly.



Katie Runge is an associate at Koley Jessen, where her practice focuses on all facets of employment law. She regularly advises employers on policy development and compliance with state and federal laws, and can assist with reviewing and preparing policies in light of the Nebraska Healthy Families and Workplaces Act. She

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