

THOUGHT LEADERSHIP

LEGAL UPDATES

PUBLISHED: JANUARY 22, 2025

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Paid Sick Leave for Nebraskans Required in 2025

In the November 2024 election, Nebraska voters passed Initiative 436, also known as the Nebraska Healthy Families and Workplace Act. This law mandates **paid** sick leave for most employees in the state and takes effect **October 1, 2025**.

Eligibility and coverage

The law applies to all private employers in Nebraska, regardless of size. Eligible employees must work at least 80 hours in Nebraska within a calendar year to qualify. Exceptions include employees covered by the federal Railroad Unemployment Insurance Act and those employed by federal or state governments, state agencies, and political subdivisions. Notably, there are no exemptions for agricultural employers.

Accrual and use of sick leave

Employees will accrue one hour of paid sick leave for every 30 hours worked. Employers with 20 or more employees must provide up to 56 hours of paid sick time annually. For small businesses (fewer than 20 employees, including part-time employees), the cap is 40 hours annually. Employers can choose to front-load the anticipated annual sick leave at the start of the year. Unused sick leave generally carries over to the next year, although employers may opt to pay out unused leave instead.

Permissible uses

Paid sick leave can be used for various health-related reasons, including:

An employee's mental or physical illness, injury, or health condition.

Medical diagnosis, care, or treatment, including preventive care.

Attending meetings necessitated by a child's mental or physical illness, injury, or health condition wherever the child is receiving care.

Caring for a family member with mental or physical illness, injury, or other health conditions.

Situations arising from public health emergencies, such as school closures.

The definition of "family member" is broad, allowing employees to care for relatives by blood or those with a close association akin to family.

Notice and documentation

Employees may simply request sick leave orally. Employers may require reasonable notice procedures, provided these policies are documented and shared with employees. For absences exceeding three consecutive workdays, employers can request documentation from the employee, such as a note from a healthcare provider. However, if obtaining such documentation presents undue hardship, a written statement from the employee suffices.

Employer obligations

Employers must provide written notice of employees' rights under the act by **September 15, 2025**, or at the start of employment. This written notice must explain: (1) that beginning October 1, 2025, employees are entitled to paid sick time; (2) the amount of paid sick time based on business size; (3) the terms of the use of paid sick time; (4) that retaliation against employees who request or use paid sick time is prohibited; (5) that employees have the right to file suit or a complaint if paid sick time is denied in violation of Nebraska Healthy Families and Workplace Act or if the employee is subjected to retaliatory action for requesting or using paid sick time; and (6) how to contact the Department of Labor.

Notices must be displayed prominently in the workplace and provided in English and any other languages spoken by at least five percent of the workforce. Employers are also required to keep health information confidential and separate from other personnel records.

Compliance and penalties

The Nebraska Department of Labor will oversee implementation and enforcement. Employers who fail to comply with the law may face penalties, including fines up to \$5,000 for repeated violations. Employees have the right to file complaints or lawsuits if their rights are violated.

What this means to you

As the state prepares for its implementation, employers must familiarize themselves with the new requirements to ensure a smooth transition. Employers are advised to review and update their leave policies to ensure compliance. This includes revising paid time off policies, updating employee handbooks, tracking leave accrual, and preparing for potential operational impacts due to employee absences. Employers must also establish procedures for maintaining confidentiality of health information.

Contact us

If you have any questions regarding the new law, please contact Amanda JoLee, Haley Judd Robinson, Marnie Jensen, or your Husch Blackwell attorney. We are available to assist businesses in navigating these changes effectively.