

Nebraska Amends Paid Sick Time Law

By: John Vering and John Neyens

Nebraska Legislature Amends Paid Sick Leave Requirement

In November of 2024, Nebraska voters approved Initiative 436 which adopts the Nebraska Healthy Families and Workplaces Act which provides paid sick leave to most non-governmental employees. On June 4, 2025, Nebraska Governor Jim Pillen signed LB415 which made some significant changes to the Act which becomes **effective October 1, 2025**.

Who is Covered?

The Act applies to employees who work in Nebraska for at least 80 hours in a calendar year, except that it does not cover seasonal and temporary workers employed in agriculture, employees under age 16, employers with fewer than 11 employees, employees covered by the federal Railroad Unemployment Insurance Act, or employees of federal or state agencies, state departments, and political subdivisions.

Accrual and Use Rules

Under the Act, employees are entitled to a minimum of one hour of paid sick leave for every 30 hours worked up to a cap (40 or 56 hours depending on the employer's size). Employers with 11-19 employees must provide up to 40 hours of PSL per year. Employers with 20 or more employees must provide up to 56 hours of PSL per year. Employees exempt from overtime are presumed to work 40 hours per week unless their typical workweek is less than 40 hours per week. PSL provided to an employee on or after January 1, 2025 and before October 1, 2025 shall be counted toward an employer's obligations under the Act for calendar year 2025.

Carryover Requirements and Frontloading Option

Employers must allow employees to carry over unused PSL to the next year. Alternatively, employers are permitted to pay an employee for unused sick time at the end of the year and frontload the employee at the beginning of the year with the amount of PSL (40 or 56 hours) specified in the preceding paragraph depending on the number of employees. Employers also have the option to loan PSL to an employee in advance of accrual by such employee.

Integration with Existing PTO Policies

Most employers offer some kind of vacation, sick leave, and/or PTO policies. Employers with PTO policies that provide an annual amount of PTO sufficient to meet the requirements of Nebraska's new PSL law, including allowing PTO to be used for the same purposes and under the same conditions as provided in the new PSL law, are not required to provide additional PSL benefits beyond those provided in existing PTO policies. However, employers may be required to re-write some of their PTO policies to ensure that existing PTO policies are properly integrated with Nebraska's new PSL law and include appropriate provisions for employees to provide notice of the need to use PSL. The Act does not require payment for unused PSL when an employee separates from the employer.

PSL May be Used for Many Reasons

PSL may be taken for:

- Care of self for mental or physical illness, injury, health condition, medical diagnosis or preventative care or treatment; or
- Care of a family member for mental or physical illness, injury, health condition, medical diagnosis or preventative care or treatment 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
- In a public health emergency where the employee's place of business or the child's school or place of care is closed or where the employee needs to care for oneself or a family member where health authorities or a health care provider determines that the family member's presence in the community may jeopardize the health of others by potentially exposing them to a communicable disease, whether or not the employee or family member has actually contracted the disease.

The definition of "family member" is extremely broad and includes, regardless of age, biological, adopted or foster child, stepchild, legal ward, and/or a child to whom the employee stands in loco parentis.

"Family member" also includes biological, foster, stepparent or adoptive parent or legal guardian of the employee or an employee's spouse or an individual who stood in loco parentis when the employee or employee's spouse was a minor child, an individual to whom the employee is legally married or a grandparent, grandchild, or sibling, whether of a biological, foster, adoptive, or step relationship with the employee or the employee's spouse. Family member also includes any other individual related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

Employee Notice Requirements

The Nebraska PSL statute specifies that PSL shall be provided upon oral request of the employee, but for paid sick leave for more than three consecutive work days, the employer may require reasonable documentation that the paid sick leave was used for a purpose covered by the Act.

Employer Notice and Record Keeping-Requirements

The Act requires that employers provide written notice to employees of their rights under this new law upon commencement of employment or September 15, 2025, whichever is later.

Employers are also required to display a poster regarding Nebraska PSL. We expect the Nebraska Department of Labor to publish a model notice for employers to use along with a form of poster that employers are required to post, but to date, the Nebraska Department of Labor has not done so.

Employers must provide or make available to employees each pay period information on the amount of PLS available and taken and the amount of pay received for PSL.

Guidance from Nebraska Department of Labor

The Nebraska Department of Labor (NDOL) issued Revised Answers to Frequently Asked Questions on June 9, 2025 [FAQs Paid Sick Leave.pdf](#) and may issue additional guidance in the future.

Legal Liability for Failing to Comply with Nebraska Paid Sick Leave Law

In a significant change to the Act, LB451 removes an employee's right to file a lawsuit if an employer violates the Act. Employees can file complaints with the Nebraska Dept. of Labor which will investigate complaints that an employer failed to comply with the Act and can fine offending employers who violate the Act up to \$500 for the first violation and up to \$5,000 for the second and any subsequent violation of the Act. This article is general in nature and does not constitute legal advice. Readers with legal questions or desiring assistance in reviewing or amending employment policies to comply with

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