

Nebraska Paid Sick Leave Act / LB415

Small Business Overview

What we know..

The Nebraska Healthy Families and Workplaces Act takes effect October 1, 2025.

➞ Employers

- Employers **INCLUDE** any of the following entities with eleven (11) or more employees:
 - An individual;
 - A partnership;
 - A limited liability company (LLC);
 - An association;
 - A corporation;
 - A business trust;
 - A legal representative; or
 - A nonprofit organization.
- Employers **DO NOT INCLUDE**:
 - The United States or the State of Nebraska or its
 - Agencies;
 - Departments; or
 - Political subdivisions.

➞ Employees

- Employees **INCLUDE** any of the following who work at least eighty (80) hours of consecutive employment in a calendar year in Nebraska for an employer with eleven (11) or more employees:
 - Full-time;
 - Part-time; or
 - Temporary.
- Employees **DO NOT INCLUDE**:
 - An individual owner-operator;
 - An independent contractor;
 - An individual who works in Nebraska for fewer than eighty (80) hours in a calendar year;
 - An individual who is employed in agricultural employment of a seasonal or other temporary nature;
 - An employee who is subject to the federal Railroad Unemployment Insurance Act; or
 - An individual under sixteen (16) years of age.

➞ Small Business

- Employ between eleven (11) and nineteen (19) employees.

➞ Accrual:

- Required to provide accrual of at least forty (40) hours of paid sick time in a year.
 - A “year” is defined as a regular and consecutive 12-month period as determined by the employer.
- The balance may be front loaded or accrued on an accrual basis, dependent upon the preference of the employer.
- An employee must begin accruing paid sick time after eighty (80) hours of consecutive employment.
- The accrual of paid sick leave shall continue while on or taking paid sick leave.

<https://dol.nebraska.gov/webdocs/Resources/Items/FAQs%20Paid%20Sick%20Leave.pdf>

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? What if an employer has an existing Paid Time Off (PTO) policy?

- As long as the employer makes available an amount of paid leave sufficient to meet the requirements of the Act that may be used for the same purposes and under the same conditions as paid sick time under this Act, they are not required to provide additional paid sick time.

? How does accrued paid sick time carryover from year to year?

- There can be no maximum cap of paid sick leave and paid sick leave balances shall be carried over to the following year.
- Employers may choose to pay employees for unused paid sick leave balances at the end of their designated year.
- Example: If an employee uses zero (0) hours of paid sick leave in the designated year, they can carryover all forty (40) hours of paid sick leave into the next year, unless paid out by the employer at the end of the designated year.

? What can paid sick leave be used for?

- An employee's physical or mental health, including preventative care;
- To care for a family member (defined broadly and can include a close association equivalent to that of a family member) for physical or mental health reasons; or
- At the closure of an employee's place of business due to a public health emergency.

? Is accrued paid sick time to be paid out upon separation of employment?

- No, if paid sick time is a separate bank from PTO, it shall not be payable upon separation of employment. If paid sick time is included in an employer's PTO policy, all PTO shall be payable upon separation of employment.
- If an employee is rehired by the same employer within twelve (12) months of separation, previously accrued paid sick time that had not been used or paid out to the employee shall be reinstated.

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