LEGISLATURE OF NEBRASKA ONE HUNDRED EIGHTH LEGISLATURE FIRST SESSION

## **LEGISLATIVE BILL 15**

Introduced by Briese, 41. Read first time January 05, 2023 Committee: Business and Labor

- A BILL FOR AN ACT relating to the Wage and Hour Act; to amend section
   48-1203.01, Reissue Revised Statutes of Nebraska, and section
   48-1203, Revised Statutes Cumulative Supplement, 2020, as amended by
   section 1, Initiative Law 2022, No. 433; to provide a youth minimum
   wage as prescribed; to change provisions relating to the training
   wage rate; to harmonize provisions; and to repeal the original
   sections.
- 8 Be it enacted by the people of the State of Nebraska,

Section 1. Section 48-1203, Revised Statutes Cumulative Supplement,
 2020, as amended by section 1, Initiative Law 2022, No. 433, is amended
 to read:

4 48-1203 (1) Except as otherwise provided in this section and section
5 48-1203.01, every employer shall pay to each of his or her employees a
6 minimum wage of:

7 (a) Nine dollars per hour through December 31, 2022;

8 (b) Ten dollars and fifty cents per hour on and after January 1,
9 2023, through December 31, 2023;

10 (c) Twelve dollars per hour on and after January 1, 2024, through
11 December 31, 2024;

(d) Thirteen dollars and fifty cents per hour on and after January
1, 2025, through December 31, 2025; and

(e) Fifteen dollars per hour on and after January 1, 2026, throughDecember 31, 2026.

(2) The minimum wage established in subdivision (1)(e) of this 16 17 section shall be increased on January 1, 2027, and on January 1 of successive years, by the increase in the cost of living. The increase in 18 the cost of living shall be measured by the percentage increase, if any, 19 as of August of the previous year over the level as of August of the year 20 preceding that year in the consumer price index for all urban consumers 21 (CPI-U) for the Midwest Region, or its successor index, as published by 22 the U.S. Department of Labor, or its successor agency, with the amount of 23 24 the minimum wage increase rounded up to the nearest multiple of five 25 cents. No later than October 15 of each year, commencing October 15, 2026, the Nebraska Department of Labor shall calculate and publish the 26 minimum wage rate that will take effect the following January 1. 27

(3) For persons compensated by way of gratuities such as waitresses,
waiters, hotel bellhops, porters, and shoeshine persons, the employer
shall pay wages at the minimum rate of two dollars and thirteen cents per
hour, plus all gratuities given to them for services rendered. The sum of

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1 wages and gratuities received by each person compensated by way of 2 gratuities shall equal or exceed the applicable minimum wage rate 3 provided in subsection (1) or (2) of this section. In determining whether 4 or not the individual is compensated by way of gratuities, the burden of 5 proof shall be upon the employer.

6 (4) Any employer employing student-learners as part of a bona fide 7 vocational training program shall pay such student-learners' wages at a 8 rate of at least seventy-five percent of the minimum wage rate which 9 would otherwise be applicable <u>under this section</u>.

10 (5) An employer may pay an employee who is at least fourteen years
 11 of age but no more than seventeen years of age a youth minimum wage of:

12 (a) Nine dollars per hour through December 31, 2023;

(b) Nine dollars and twenty-five cents per hour on and after January
 1, 2024, through December 31, 2024;

(c) Nine dollars and fifty cents per hour on and after January 1,
2025, through December 31, 2025; and

17 (d) Ten dollars per hour on and after January 1, 2026.

Sec. 2. Section 48-1203.01, Reissue Revised Statutes of Nebraska, is amended to read:

48-1203.01 (1) An employer may pay a new employee who is at least 20 eighteen years of age but under younger than twenty years of age and who 21 22 is not a seasonal or migrant worker a training wage rate as described in 23 subsection (2) of this section of at least seventy-five percent of the 24 federal minimum wage for ninety days from the date the new employee was 25 hired. An employer may pay such new employee the training wage rate for an additional ninety-day period while the new employee is participating 26 in on-the-job training which (a) (1) requires technical, personal, or 27 28 other skills which are necessary for his or her employment and (b) (2) is approved by the Commissioner of Labor. No more than one-fourth of the 29 total hours paid by the employer shall be at the training wage rate. 30

31 (2) For purposes of this section, the training wage rate shall be:

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1	(a) Nine dollars and twenty-five cents per hour through December 31,
2	<u>2023;</u>
3	(b) Nine dollars and fifty cents per hour on and after January 1,
4	<u>2024, through December 31, 2024;</u>
5	(c) Nine dollars and seventy-five cents per hour on and after
6	January 1, 2025, through December 31, 2025;
7	<u>(d) Ten dollars per hour on and after January 1, 2026, through</u>
8	December 31, 2026; and
9	<u>(e) A rate of seventy-five percent of the minimum wage rate that</u>
10	would otherwise be applicable under section 48-1203 on and after January
11	<u>1, 2027.</u>
12	(3) An employer shall not pay the training wage rate if the hours of
13	any other employee are reduced or if any other employee is laid off and
14	the hours or position to be filled by the new employee is substantially
15	similar to the hours or position of such other employee. An employer
16	shall not dismiss or reduce the hours of any employee with the intention
17	of replacing such employee or his or her hours with a new employee
18	receiving the training wage rate.
19	Sec. 3. Original section 48-1203.01, Reissue Revised Statutes of
20	Nebraska, and section 48-1203, Revised Statutes Cumulative Supplement,
21	2020, as amended by section 1, Initiative Law 2022, No. 433, are

22 repealed.

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