

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT (CORRECTED)
LB415

Hearing Date: Monday February 24, 2025
Committee On: Business and Labor
Introducer: Ballard
One Liner: Change provisions of the Nebraska Healthy Families and Workplaces Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	6	Senators Kauth, Hansen, Ibach, McKeon, Raybould, Sorrentino
Nay:	1	Senator McKinney
Absent:		
Present Not Voting:		

Testimony:

Proponents:

Senator Beau Ballard
Hunter Traynor

Ryan McIntosh

Carter Thiele

Opponents:

Jon Nebel
Kendra Trumbley

Neutral:

Jo Giles
Guillermo Pena

Representing:

Opening Presenter
Nebraska Chamber, Greater Omaha Chamber,
Lincoln Chamber, Columbus Area Chamber, North
Platte Area Chamber, Fremont Area Chamber,
Kearney Area Chamber, Cheyenne County Chamber,
Broken Bow Chamber, Ord Area Chamber, Nebraska
Grocery Industry Association, Nebraska Hospitality
Association, Nebraska Retail Federation, Nebraska
Petroleum Marketers & Convenience Store
Association
National Federation of Independent Business,
Nebraska Bankers Association
Lincoln Independent Business Association

Representing:

Nebraska State Council of Electrical Workers
Self

Representing:

Women's Fund of Omaha and Nebraska Appleseed
Self

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:



LB 415 would amend Initiative Law 2024, No. 436.

On November 5, 2024, the voters in the state of Nebraska approved Initiative Law 2024, No. 436, also known as the Paid Sick Leave Initiative ("Initiative") or the Nebraska Healthy Families and Workplaces Act. The Initiative was designed to require private paid sick time to all employees, regardless of the status of the employees or the size of the employer. The Initiative does differentiate between small business, those with more than one and less than twenty employees, and larger business, who have twenty or more employees.

LB 415 proposes to clarify the provisions of the Initiative to further define "employ" as being permitted to work for an employer in an employment relationship. LB 415 would clarify that an individual owner—operator and independent contractors are not employees as defined in the Initiative. It also clarifies the definition of paid sick time.

The Initiative provides that eligible hours would begin to accrue October 1, 2025. LB 415 provides that an employee shall work eighty consecutive hours before paid sick time begins to accrue. Any hours of sick leave given to an employee after December 31, 2024, and before October 1, 2025, would be credited to what employers are required to provide pursuant to the Initiative. Employers who have paid leave policies that equal or exceed the Initiative do not have to offer any additional paid sick time nor are they required to allow an employee to gain benefits beyond such policies. Finally, LB 415 clarifies that employers are not required to pay employees out for unused paid sick time when the employee leaves employment. If an employee is rehired within twelve months, any accrued paid sick time that was not used or paid put shall be reinstated for the employee's use.

Explanation of amendments:

The Standing Committee Amendment (AM 545) amends LB 415 as amended and incorporates LB 402, LB 435 as amended, and LB 698, into LB 415.

AM 545 incorporates LB 415 as introduced with an addition to outline how paid sick leave is calculated for employees paid on a commission, piece-rate, mileage, or fee for service basis. The average weekly rate of pay calculation already in statute is divided by forty to get an average hourly rate for the employee.

LB 402 - Sections 5, 6, 7, 8, 9, 10, 11, 12, and 23 of AM 545

LB 402, introduced by Senator von Gillern, amends the Gambling Winnings Setoff for Outstanding Debt Act to allow the Department of Labor ("DOL") to collect overpayments of unemployment benefits on gambling winnings under the Employment Security Law.

LB 402 would allow the DOL to force individuals who received payment of unemployment benefits to pay back some or all of the amounts due to the individual's failure to report their gambling winnings. It also establishes that gambling winnings are earning under the Employment Security Law.

Testifiers on LB402:

Proponents:

Senator R. Brad von Gillern , Opening Presenter

Joel Green, Nebraska Department of Labor

Opponents: None

Neutral: None

Committee vote to attach LB402: Yes - 6; No - 1; Absent - 0; Present Not Voting - 0;



LB 435 - Sections 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23 of the Standing Committee Amendment

LB 435, introduced by Senator Wordekemper, would amend a number of provisions under the Conveyance Safety Act.

The Conveyance Safety Act regulates the construction, operation, inspection, testing, maintenance, alteration, and repair of conveyances. LB 435 would require the State Fire Marshal to allow for variances as well as allow equivalency requests regarding the rules and regulations for conveyances. A variance typically is a request to deviate from a standard rule or guideline, essentially allowing for an exception based on unique circumstances. An equivalency request is a request for the deviation to be considered essentially the same as the standard rule, even if they are differences, as the focus is on a demonstration of functional similarity.

LB 435 updates the editions of many of the manuals used to determine if a particular equipment is a conveyance as defined in the Conveyance Safety Act, as well as removing an exception for industrial trucks within the scope of the American Society of Mechanical Engineers.

LB 415 allows the state elevator inspector to be supervised by the State Fire Marshal or someone designated by the State Fire Marshal.

Additionally, LB 435 changes the requirements for an inspection under the Conveyance Safety Act. Formal inspections are typically required under the Conveyance Safety Act. No inspection is needed if an owner or user of a conveyance gets an insurance policy on the conveyance from a licensed insurance company, pays a fee, files a statement of insurance, and files a certificate of inspection from a third-party inspection company with the State Fire Marshal.

LB 435 loosens the requirements for obtaining an elevator mechanic license while establishing the requirements for obtaining an elevator contractor license. The mechanic license shall no longer require social security information, home address, and insurance information from the applicant. The contractor license shall require the applicant to show comprehensive insurance information, list all accidents involving conveyances the applicant has worked on, and information regarding all elevator mechanics working or contracting with the business.

Finally, LB 435 removes the option for a person to call in and make a request for an investigation under the Conveyance Safety Act. A person may now make it in writing and may still walk in a request.

Testifiers on LB435:

Proponents:

Kaden Robinson for Senator Dave Wordekemper , Opening Presenter

Doug Hohbein, State Fire Marshal

Opponents: None

Neutral: None

Committee vote to attach LB435: Yes - 7; No - 0; Absent - 0; Present Not Voting - 0;

LB 698 - Sections 1, 4, and 23 of the Standing Committee Amendment

LB 698, introduced by Senator Strommen, amends Initiative Law 2024, No. 436. LB 698 would create several exemptions from the Initiative. Temporary or seasonal agricultural workers, employees younger than sixteen, and



employers with less than eleven employees would be exempted. Small businesses would now be businesses having between eleven and nineteen workers.

LB 698 would also remove the private cause of action rights for employees who wish to bring claims for violations of the Initiative. It prevents employees from filing suit in any court, prevents them from using the citation as evidence of a violation, and removes the statute of limitations for the private cause.

Testifiers on LB698:

Proponents:

Senator Paul Strommen , Opening Presenter

David Barnes, Valley Foods Corporation

Trista McAdow, National Federation of Independent Business (NFIB), Jennings Construction

Mark Anderson, US Custom Harvesters Incorporated, Anderson Harvesting LLC

Ansley Fellers, Nebraska Grocery Industry Association, Nebraska Retail Federation, Nebraska Hospitality Association

Ryan McIntosh, National Federation of Independent Business

Hunter Traynor, Nebraska Chamber, Greater Omaha Chamber, Lincoln Chamber

Elisabeth Hurst, Ag Leaders Working Group: Nebraska Cattlemen, Nebraska Corn Growers Association, Nebraska Farm Bureau, Nebraska Pork Producers Association, Nebraska Sorghum Growers Association, Nebraska State Dairy Association, Nebraska Soybean Association, Nebraska Wheat Growers Association, Renewable Fuels Nebraska

Opponents:

Robert Way, Self

Rosa Pinto, Heartland Workers Center

Craig Moody, Self

Eric Reiter, Voices For Children

Jo Giles, Women's Fund of Omaha

Rene Carrillo, Self

Ken Smith, Nebraska Appleseed

Adelle Burk, Planned Parenthood North Central States

Susan Martin, Nebraska State AFL-CIO

Corrie Day, Nebraska Civic Engagement Table

Jon Nebel, Nebraska State Council of Electrical Workers

Neutral:

Andrew Foust, Self

Committee vote to attach LB698: Yes - 6; No - 1; Absent - 0; Present Not Voting - 0;

Section by Section Summary:

Section 1: Amends Section 2 of the Initiative to further define employ, excludes individual owner-operator, independent contractor, those engaged in seasonal agricultural work, and those under sixteen from the definition of employee. It removes those that employ less than eleven employees as employers from the definition of employer. It also determines how paid sick leave is calculated for those employees paid on a commission, piece-rate, mileage, or fee for service basis.

Section 2: Amends Section 3 of the Initiative to require that employees begin accruing paid sick time only after working eighty hours of consecutive employment. Paid sick time requirements under the Initiative shall only begin to



accrue October 1, 2025. Any paid sick time provided after December 31, 2024, and before October 1, 2025, would be counted toward any employer's obligations under the Initiative. Employers who have paid leave policies that equal or exceed the Initiative do not have to offer any additional paid sick time nor are they required to allow an employee to gain benefits beyond the policy. Finally, employers are not required to pay employees out for unused paid sick time when the employee leaves employment with the employer. If an employee is rehired within twelve months, any accrued paid sick time that was not used or paid out shall be reinstated for the employee's use.

Section 3: Amends Section 4 of the Initiative to require that a request paid sick leave be requested in accordance with the requirements of Initiative and not just orally.

Section 4: Removes the private cause of action rights for employees who wish to bring claims for violations of the Initiative. It prevents employees from filing suit in any court, prevents them from using the citation as evidence of a violation, and removes the statute of limitations for the private cause.

Section 5: Amends § 9-1302 to include the establishment of a procedure for individuals to have to report gambling winnings to the DOL if they are receiving unemployment benefits or other benefits under the Employment Security Law.

Section 6: Amends § 9-1303 to allow the DOL to be a claimant against an individual for debt collection for unemployment benefits that the individual would not have been eligible for due to their gambling winnings. The definition of debt now includes overpayments for unemployment benefits.

Section 7: Amends § 9-1304 to allow the DOL to submit debts to the collection system except when the validity of the debt is legitimately in dispute. The DOL is also inserted into several other sections.

Section 8: Amends § 9-1306 to include DOL debts for overpayment of unemployment payments as second in line, after DHHS and before state tax liability, of being paid out by the Department of Revenue if a determination of remittance is made against an individual.

Section 9: Amends § 9-1307 to allow the DOL, twenty days after the Department of Revenue determines they have a remittance of owing a debt, to send written notification to an individual of the DOL's assertion of its rights to the gambling winnings. The written notification has requirements to provide proper notice of the debt, the ability to contest the debt, and the penalty for failure to respond.

Section 10: Amends § 9-1308 to allow that a written request for a hearing shall be effective upon the mailing to the DOL. Upon the receipt of a written request, the DOL shall have a hearing to determine the validity of the claim and make any adjustments to the amount owed. Appeals shall be governed by the Administrative Procedure Act.

Section 11: Amends § 9-1313 to allow the DOL to create rules and regulations to enforce the Gambling Winnings Setoff for Outstanding Debt Act.

Section 12: Amends § 48-665 to remove the three year statute of limitations and require individuals who have been overpaid unemployment benefits because of their gambling winnings to pay the DOL the amount of the overpayment.

Section 13: Amends § 81-5,213 to add equivalency requests to the references to variances from 81-5,217.

Section 14: Amends § 81-5,215 to update the use of the American Society of Mechanical Engineers B20.1 to the 2012 edition.



Section 15: Amends § 81-5,216 to update the editions of the manuals used pursuant to the statute and remove industrial trucks within the scope of the American Society of Mechanical Engineers from what the Conveyance Safety Act applies to.

Section 16: Amends § 81-5,217 to allow equivalency requests as well as variances from the rules and regulations under the Conveyance Safety Act.

Section 17: Amends § 81-5,218 to remove the references to the requirements of the statute starting in 2008.

Section 18: Amends § 81-5,219 to remove the references to the requirements of the statute starting in 2008.

Section 19: Amends § 81-5,221 to allow a state elevator inspector to serve under the State Fire Marshal or their designee.

Section 20: Amends § 81-5,223 to change the requirements for an inspection under the Conveyance Safety Act. No inspection is needed if an owner or user of a conveyance gets an insurance policy on the conveyance from a licensed insurance company, pays a fee, files a statement of insurance, and files with the State Fire Marshal a certificate of inspection from a third-party inspection company.

Section 21: Amends § 81-5,230 to change the requirements of an application for an elevator mechanic license, requiring less personal information. It also establishes the application requirements for an elevator contractor license.

Section 22: Amends § 81-5,239 to remove the option of using the telephone for those who wish to make a request for an investigation under the Conveyance Safety Act. They may now make it in writing as well as the previously allowed in person option.

Section 23: Repeals the original sections being amended.

Kathleen Kauth, Chairperson

