## LEGISLATURE OF NEBRASKA

## ONE HUNDRED NINTH LEGISLATURE

FIRST SESSION

## **LEGISLATIVE BILL 258**

FINAL READING

Introduced by Raybould, 28; Murman, 38.

Read first time January 14, 2025

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, 2024; to change
  provisions relating to the minimum wage and the training wage; to
- enact a youth minimum wage; to harmonize provisions; and to repeal
- 6 the original sections.
- 7 Be it enacted by the people of the State of Nebraska,

- Section 1. Section 48-1203, Revised Statutes Cumulative Supplement,
- 2 2024, is amended to read:
- 3 48-1203 (1) Except as otherwise provided in this section and section
- 4 48-1203.01, every employer shall pay to each of his or her employees a
- 5 minimum wage of:
- 6 (a) Nine dollars per hour through December 31, 2022;
- 7 (b) Ten dollars and fifty cents per hour on and after January 1,
- 8 2023, through December 31, 2023;
- 9 (c) Twelve dollars per hour on and after January 1, 2024, through
- 10 December 31, 2024;
- 11 (d) Thirteen dollars and fifty cents per hour on and after January
- 12 1, 2025, through December 31, 2025; and
- 13 (e) Fifteen dollars per hour on and after January 1, 2026, through
- 14 December 31, 2026.
- 15 (2) The minimum wage established in subdivision (1)(e) of this
- 16 section shall be increased on January 1, 2027, and on January 1 of
- 17 successive years, by one and three-quarters percent the increase in the
- 18 cost of living. The increase in the cost of living shall be measured by
- 19 the percentage increase, if any, as of August of the previous year over
- 20 the level as of August of the year preceding that year in the consumer
- 21 price index for all urban consumers (CPI-U) for the Midwest Region, or
- 22 its successor index, as published by the U.S. Department of Labor, or its
- 23 successor agency, with the amount of the minimum wage increase rounded up
- 24 to the nearest multiple of five cents. No later than October 15 of each
- 25 year, commencing October 15, 2026, the Nebraska Department of Labor shall
- 26 calculate and publish the minimum wage rate that will take effect the
- 27 following January 1.
- 28 (3) For persons compensated by way of gratuities such as waitresses,
- 29 waiters, hotel bellhops, porters, and shoeshine persons, the employer
- 30 shall pay wages at the minimum rate of two dollars and thirteen cents per
- 31 hour, plus all gratuities given to them for services rendered. The sum of

- 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 under this section.
- 10 (5)(a) An employer may pay a youth minimum wage of thirteen dollars
- and fifty cents per hour to an employee who:
- 12 <u>(i) Is at least fourteen years of age but younger than sixteen years</u>
- 13 of age; and
- 14 <u>(ii) Is not an emancipated minor.</u>
- 15 (b) Beginning on January 1, 2030, and on January 1 of every fifth
- 16 year thereafter, the youth minimum wage shall increase by one and one-
- 17 half percent, rounded to the nearest cent.
- 18 Sec. 2. Section 48-1203.01, Reissue Revised Statutes of Nebraska, is
- 19 amended to read:
- 20 48-1203.01 <u>(1)</u> An employer may pay a new employee who is <u>at least</u>
- 21 <u>sixteen years of age but younger than twenty years of age and who</u> is not
- 22 a seasonal or migrant worker or an emancipated minor a training wage rate
- 23 as described in subsection (2) of this section of at least seventy-five
- 24 percent of the federal minimum wage for ninety days from the date the new
- 25 employee was hired. An employer may pay such new employee the training
- 26 wage rate for an additional ninety-day period while the new employee is
- 27 participating in on-the-job training which (a) (1) requires technical,
- 28 personal, or other skills which are necessary for his or her employment
- 29 and (b) (2) is approved by the Commissioner of Labor. No more than one-
- 30 fourth of the total hours paid by the employer shall be at the training
- 31 wage rate.

1 (2) For the purposes of this section, the training wage rate shall

- 2 <u>be:</u>
- 3 (a) Thirteen dollars and fifty cents per hour through December 31,
- 4 2026; and
- 5 (b) Beginning on January 1, 2027, and on January 1 of each year
- 6 thereafter, the training wage rate shall increase by one and one-half
- 7 percent, rounded to the nearest cent.
- 8 (3) An employer shall not pay the training wage rate if the hours of
- 9 any other employee are reduced or if any other employee is laid off and
- 10 the hours or position to be filled by the new employee is substantially
- 11 similar to the hours or position of such other employee. An employer
- 12 shall not dismiss or reduce the hours of any employee with the intention
- 13 of replacing such employee or his or her hours with a new employee
- 14 receiving the training wage rate.
- 15 Sec. 3. Original section 48-1203.01, Reissue Revised Statutes of
- 16 Nebraska, and section 48-1203, Revised Statutes Cumulative Supplement,
- 17 2024, are repealed.