## LEGISLATURE OF NEBRASKA ONE HUNDRED NINTH LEGISLATURE

## FIRST SESSION

## **LEGISLATIVE BILL 258**

Introduced by Raybould, 28.

Read first time January 14, 2025

Committee: Business and Labor

- 1 A BILL FOR AN ACT relating to the Wage and Hour Act; to amend section
- 2 48-1203.01, Reissue Revised Statutes of Nebraska, and section
- 3 48-1203, Revised Statutes Cumulative Supplement, 2024; to change
- 4 provisions relating to the minimum wage and the training wage; to
- 5 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,

LB258 2025

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 the <u>lesser of (a) one and one-half percent, rounded</u>
- 18 to the nearest cent, or (b) the increase in the cost of living. The
- 19 increase in the cost of living, which shall be measured by the percentage
- 20 increase, if any, as of August of the previous year over the level as of
- 21 August of the year preceding that year in the consumer price index for
- 22 all urban consumers (CPI-U) for the Midwest Region, or its successor
- 23 index, as published by the U.S. Department of Labor, or its successor
- 24 agency, with the amount of the minimum wage increase rounded up to the
- 25 nearest multiple of five cents. No later than October 15 of each year,
- 26 commencing October 15, 2026, the Nebraska Department of Labor shall
- 27 calculate and publish the minimum wage rate that will take effect the
- 28 following January 1.
- 29 (3) For persons compensated by way of gratuities such as waitresses,
- 30 waiters, hotel bellhops, porters, and shoeshine persons, the employer
- 31 shall pay wages at the minimum rate of two dollars and thirteen cents per

- 1 hour, plus all gratuities given to them for services rendered. The sum of
- 2 wages and gratuities received by each person compensated by way of
- 3 gratuities shall equal or exceed the applicable minimum wage rate
- 4 provided in subsection (1) or (2) of this section. In determining whether
- 5 or not the individual is compensated by way of gratuities, the burden of
- 6 proof shall be upon the employer.
- 7 (4) Any employer employing student-learners as part of a bona fide
- 8 vocational training program shall pay such student-learners' wages at a
- 9 rate of at least seventy-five percent of the minimum wage rate which
- 10 would otherwise be applicable under this section.
- 11 (5) An employer may pay a youth minimum wage of thirteen dollars and
- 12 <u>fifty cents per hour to an employee</u> who:
- 13 (a) Is at least fourteen years of age but younger than sixteen years
- 14 of age; and
- (b) Is not an emancipated minor.
- 16 Sec. 2. Section 48-1203.01, Reissue Revised Statutes of Nebraska, is
- 17 amended to read:
- 18 48-1203.01 (1) An employer may pay a new employee who is at least
- 19 sixteen years of age but younger than eighteen younger than twenty years
- 20 of age and who is not a seasonal or migrant worker or an emancipated
- 21 <u>minor</u> a training wage <u>rate</u> as <u>described</u> in <u>subsection</u> (2) of this <u>section</u>
- 22 of at least seventy-five percent of the federal minimum wage for ninety
- 23 days from the date the new employee was hired. An employer may pay such
- 24 new employee the training wage rate for an additional ninety-day period
- 25 while the new employee is participating in on-the-job training which (a)
- 26 (1) requires technical, personal, or other skills which are necessary for
- 27 his or her employment and (b) (2) is approved by the Commissioner of
- 28 Labor. No more than one-fourth of the total hours paid by the employer
- 29 shall be at the training wage rate.
- 30 (2) For the purposes of this section, the training wage rate shall
- 31 <u>be:</u>

1 (a) Thirteen dollars and fifty cents per hour through December 31,

- 2 <u>2026; and</u>
- 3 (b) A rate of seventy-five percent of the minimum wage rate that
- 4 would otherwise be applicable under section 48-1203 on and after January
- 5 <u>1, 2027.</u>
- 6 (3) An employer shall not pay the training wage rate if the hours of
- 7 any other employee are reduced or if any other employee is laid off and
- 8 the hours or position to be filled by the new employee is substantially
- 9 similar to the hours or position of such other employee. An employer
- 10 shall not dismiss or reduce the hours of any employee with the intention
- 11 of replacing such employee or his or her hours with a new employee
- 12 receiving the training wage rate.
- 13 Sec. 3. Original section 48-1203.01, Reissue Revised Statutes of
- 14 Nebraska, and section 48-1203, Revised Statutes Cumulative Supplement,
- 15 2024, are repealed.