

EMPLOYEE BENEFITS AND EMPLOYMENT LAW

Kutak Rock Client Alert

November 8, 2024

Services

Employee Benefits

Fiduciary Duties and Governance

Qualified Retirement Plans

Taft-Hartley Plans

Health and Welfare Plans

Government Plans

Higher Education

Employee Stock Ownership Programs (ESOPs)

Executive Compensation and Nonqualified Plans

ERISA and Benefits Litigation

College Savings and ABLE Plans

Mandatory Paid and Unpaid Leave

Audits and Investigations

2024 Election Brings More Workers Paid Sick Leave Laws in Nebraska, Missouri and Alaska

Following the election Tuesday, Nebraska, Missouri, and Alaska joined 18 states and the District of Columbia with state-mandated paid leave laws. This is in addition to the roughly two dozen city and county paid sick leave mandates across the United States. While most of the existing laws have been enacted by state legislatures, these three paid sick leave laws were passed through ballot measures on November 5, 2024.

Nebraska: Effective October 1, 2025, employers with fewer than 20 employees must provide up to 40 hours of paid sick leave each year, and employers with 20 employees or more must provide up to 56 hours of paid sick leave per year. Employees will earn one hour of paid sick leave for every 30 hours worked up to the 40 or 56-hour maximum. All accrued unused hours must carry over to the following year, unless an employer opts to pay out the unused sick time at the end of the year. While all hours carry over, employers may limit annual usage to 40 or 56 hours, consistent with the employer's size.

Employees may take leave for their own or a family member's mental or physical illness, injury, or health condition, medical treatment or diagnosis, or care, as well as for work, school, or place of care closures caused by a public health emergency requiring an employee to self-isolate or care for a family member.

The law covers private sector employees who work at least 80 hours per year in Nebraska and are not covered by the Railroad Unemployment Insurance Act.

Missouri: Effective May 1, 2025, employers with fewer than 15 employees must provide up to 40 hours of paid sick leave each year, and employers with 15 or more employees must provide up to 56 hours of paid sick leave per year. Employees will earn one hour of paid sick leave for every 30 hours worked. Employees must be permitted to carry over up to 80 hours of unused sick leave to the following year, unless the employer pays out the unused sick time at the end of the year. Employers may limit annual usage to 40 or 56 hours depending on the employer's size.

Leave under the Missouri law may be taken for an employee's illness, injury, medical treatment or care of a family member, as well as for closures caused by a public health emergency. The law also provides safe leave for employees (or employee's family member) who are victims of domestic violence or sexual assault.





Page 2

Employment Law

OSHA Compliance & Defense

Employment Litigation and Arbitration

FLSA Litigation and Wage and Hour Defense

Immigration

<u>Unfair Competition and Trade</u> <u>Secrets</u>

Labor Law

Employment Advice, Counseling and Risk Management

The law covers most employers except the federal or state government. The law also excludes several categories, including but not limited to casual babysitters, incarcerated workers, volunteers, and retail or services businesses with annual sales less than \$5,000.

Alaska: Effective July 1, 2025, employers with fewer than 15 employees must provide up to 40 hours of paid sick leave each year, and employers with 15 or more employees must provide up to 56 hours of paid sick leave per year. Employees will earn one hour of paid sick leave for every 30 hours worked. All accrued, unused hours must carry over to the following year, but employers may limit annual usage to the 40 or 56 hours based on the employer's size.

Leave may be taken for an employee or family member's illness, injury, medical treatment, closures, as well as for safe leave if the employee or employee's family member is a victim of domestic violence, sexual assault, or stalking.

The Alaska law includes exceptions for certain categories of employment, including some individuals not subject to the Alaska minimum wage, and agricultural workers.

If you have any questions about the new paid sick leave laws or need assistance with paid leave compliance, please reach out to a member of Kutak Rock's <u>Employee Benefits practice group</u> or <u>Employment Law practice group</u>. You may also visit us at <u>www.KutakRock.com</u>.

