LEGISLATURE OF NEBRASKA ONE HUNDRED FIFTH LEGISLATURE FIRST SESSION

## **LEGISLATIVE BILL 436**

Introduced by Ebke, 32. Read first time January 17, 2017 Committee:

1	A BILL FOR AN ACT relating to labor; to amend sections 48-106, 48-220,
2	48-234, 48-236, 48-237, 48-902, 48-1002, 48-1202, 48-1902, and
3	48-2208, Reissue Revised Statutes of Nebraska, and sections 48-603,
4	48-1102, 48-1220, 48-1229, 48-2302, and 48-3502, Revised Statutes
5	Cumulative Supplement, 2016; to change the definition of employer to
6	exclude certain franchisors for purposes of various labor statutes;
7	to define and redefine terms; to harmonize provisions; to provide a
8	duty for the Revisor of Statutes; and to repeal the original
9	sections.

10 Be it enacted by the people of the State of Nebraska,

1	Section 1.	<u>(1) For purposes of sections 48-106, 48-220, 48-234,</u>
2	<u>48-236, 48-237,</u>	48-603, 48-902, 48-1002, 48-1102, 48-1202, 48-1220,
3	<u>48-1229, 48-1902,</u>	48-2208, 48-2302, and 48-3502, except as provided in
4	<u>subsection (2) of</u>	this section, a franchisor shall not be considered to
5	<u>be an employer of</u>	a franchisee or a franchisee's employees.

6 (2) Subsection (1) of this section does not prevent a franchisor 7 from being considered an employer of a franchisee or a franchisee's 8 employees in a specific case if the franchisor is found to have exercised 9 a type or degree of control over the franchisee or the franchisee's 10 employees that is not customarily exercised by a franchisor for the 11 purpose of protecting the franchisor's trademarks and brand.

12 <u>(3) For purposes of this section, the terms franchisee and</u> 13 <u>franchisor have the same meanings as in 16 C.F.R. 436.1.</u>

14 Sec. 2. Section 48-106, Reissue Revised Statutes of Nebraska, is 15 amended to read:

16 48-106 (1) The Nebraska Workers' Compensation Act shall apply to the 17 State of Nebraska, to every governmental agency created by the state, 18 and, except as provided in this section, to every resident employer in 19 this state and nonresident employer performing work in this state who 20 employs one or more employees in the regular trade, business, profession, 21 or vocation of such employer.

22 (2) The act shall not apply to:

23 (a) A railroad company engaged in interstate or foreign commerce;

(b) Service performed by a worker who is a household domestic
servant in a private residence;

(c) Service performed by a worker when performed for an employer who
 is engaged in an agricultural operation and employs only related
 employees;

(d) Service performed by a worker when performed for an employer who
 is engaged in an agricultural operation and employs unrelated employees
 unless such service is performed for an employer who during any calendar

-2-

year employs ten or more unrelated, full-time employees, whether in one
 or more locations, on each working day for thirteen calendar weeks,
 whether or not such weeks are consecutive. The act shall apply to an
 employer thirty days after the thirteenth such week; and

5 (e) Service performed by a person who is engaged in an agricultural 6 operation, or performed by his or her related employees, when the service 7 performed is (i) occasional and (ii) for another person who is engaged in 8 an agricultural operation who has provided or will provide reciprocal or 9 similar service.

(3) If the employer is the state or any governmental agency created
by the state, the exemption from the act under subdivision (2)(d) of this
section does not apply.

(4) If the act applies to an employer because the employer meets the
requirements of subdivision (2)(d) of this section, all unrelated
employees shall be covered under the act and such employees' wages shall
be considered for premium purposes.

(5) If an employer to whom the act applies because the employer 17 meets the requirements of subdivision (2)(d) of this section subsequently 18 19 does not employ ten or more unrelated, full-time employees, such employer shall continue to provide workers' compensation insurance coverage for 20 the employees for the remainder of the calendar year and for the next 21 full calendar year. When the required coverage period has expired, such 22 23 may elect to return to exempt status by (a) posting, employer 24 continuously in a conspicuous place at the employment locations of the employees for a period of at least ninety days, a written or printed 25 notice stating that the employer will no longer carry workers' 26 compensation insurance for the employees and the date such insurance will 27 28 cease and (b) thereafter no longer carrying a policy of workers' compensation insurance. Failure to provide notice in accordance with this 29 subsection voids an employer's attempt to return to exempt status. 30

31 (6) An employer who is exempt from the act under subsection (2) of

-3-

1 this section may elect to bring the employees of such employer under the act. Such election is made by the employer obtaining a policy of workers' 2 3 compensation insurance covering such employees. Such policy shall be 4 obtained from a corporation, association, or organization authorized and licensed to transact the business of workers' compensation insurance in 5 this state. If such an exempt employer procures a policy of workers' 6 7 compensation insurance which is in full force and effect at the time of an accident to an employee of such employer, such procurement is 8 9 conclusive proof of the employer's and employee's election to be bound by the act. Such an exempt employer who has procured a policy of workers' 10 compensation insurance may elect to return to exempt status by (a) 11 posting, continuously in a conspicuous place at the employment locations 12 of the employees for a period of at least ninety days, a written or 13 14 printed notice stating that the employer will no longer carry workers' compensation insurance for the employees and the date such insurance will 15 16 cease and (b) thereafter no longer carrying a policy of workers' compensation insurance. Failure to provide notice in accordance with this 17 subsection voids an employer's attempt to return to exempt status. 18

(7) Every employer exempted under subdivision (2)(d) of this section 19 who does not elect to provide workers' compensation insurance under 20 subsection (6) of this section shall give all unrelated employees at the 21 22 time of hiring or at any time more than thirty calendar days prior to the 23 time of injury the following written notice which shall be signed by the 24 unrelated employee and retained by the employer: "In this employment you will not be covered by the Nebraska Workers' Compensation Act and you 25 will not be compensated under the act if you are injured on the job or 26 suffer an occupational disease. You should plan accordingly." Failure to 27 provide the notice required by this subsection subjects an employer to 28 liability under and inclusion in the act for any unrelated employee to 29 whom such notice was not given. 30

31 (8) An exclusion from coverage in any health, accident, or other

-4-

insurance policy covering a person employed by an employer who is exempt from the act under this section which provides that coverage under the health, accident, or other insurance policy does not apply if such person is entitled to workers' compensation coverage is void as to such person if such employer has not elected to bring the employees of such employer within the act as provided in subsection (6) of this section.

7 (9) For purposes of the Nebraska Workers' Compensation Act, the term
 8 employer shall only include a franchisor as provided in section 1 of this
 9 act.

10

(10) (9) For purposes of this section:

(a) Agricultural operation means (i) the cultivation of land for the
production of agricultural crops, fruit, or other horticultural products
or (ii) the ownership, keeping, or feeding of animals for the production
of livestock or livestock products;

(b) Full-time employee means a person who is employed to work one-15 half or more of the regularly scheduled hours during each pay period; and 16 (c) Related employee means a spouse of an employer and an employee 17 related to the employer within the third degree by blood or marriage. 18 Relationship by blood or marriage within the third degree includes 19 parents, grandparents, great grandparents, children, grandchildren, great 20 grandchildren, brothers, sisters, uncles, aunts, nephews, nieces, and 21 spouses of the same. If the employer is a partnership, limited liability 22 23 company, or corporation in which all of the partners, members, or 24 shareholders are related within the third degree by blood or marriage, 25 then related employee means any employee related to any such partner, member, or shareholder within the third degree by blood or marriage. 26

27 Sec. 3. Section 48-220, Reissue Revised Statutes of Nebraska, is 28 amended to read:

48-220 As used in sections 48-220 to 48-223, unless the context
 otherwise requires, employer shall mean and include an individual, a
 partnership, a limited liability company, an association, a corporation,

-5-

a legal representative, a trustee, a receiver, a trustee in bankruptcy,
and any common carrier by rail, motor, water, air, or express company
doing business in or operating within the state. <u>The term employer shall</u>
only include a franchisor as provided in section 1 of this act.

5 Sec. 4. Section 48-234, Reissue Revised Statutes of Nebraska, is 6 amended to read:

7 48-234 (1) Except as provided in subsection (2) of this section, 8 whenever an employer, including a governmental agency, permits an 9 employee to take a leave of absence upon the birth of the employee's 10 child, an adoptive parent, following the commencement of the parent-child 11 relationship, is entitled to the same leave upon the same terms.

(2) The adoptive parent leave of absence is not required if the 12 13 child being adopted is a special needs child over eighteen years of age, a child who is over eight years of age and is not a special needs child, 14 a stepchild being adopted by his or her stepparent, a foster child being 15 adopted by his or her foster parent, or a child who was originally under 16 17 a voluntary placement for purposes other than adoption without assistance from an attorney, physician, or other individual or agency which later 18 19 results in a petition for the adoption of the child by the person with whom the voluntary placement was made. 20

(3) For purposes of this section, commencement of the parent-child
 relationship means when the child is placed with the employee for the
 purposes of adoption.

(4) Whenever an employer, including a governmental agency, refuses to extend a child-care leave of absence to an adoptive parent in violation of this section, an aggrieved adoptive parent may bring an action for equitable relief and damages. In all actions brought pursuant to this section, reasonable attorney's fees, as determined by the court, shall be awarded to the prevailing party if the prevailing party is the adoptive parent.

31 (5) For purposes of this section, the term employer shall only

-6-

1 include a franchisor as provided in section 1 of this act.

Sec. 5. Section 48-236, Reissue Revised Statutes of Nebraska, is
amended to read:

4 48-236 (1) For purposes of this section:

5 (a) Employee does not include an individual employed in the domestic6 service of any person;

7 (b) Employer means a person who has one or more employees <u>but shall</u>
8 <u>only include a franchisor as provided in section 1 of this act;</u>

9 (c) Genetic information means information about a gene, gene 10 product, or inherited characteristic derived from a genetic test; and

(d) Genetic test means the analysis of human DNA, 11 RNA, and chromosomes and those proteins and metabolites used to detect heritable 12 13 or somatic disease-related genotypes or karyotypes for clinical purposes. A genetic test must be generally accepted in the scientific and medical 14 15 communities as being specifically determinative for the presence, 16 absence, or mutation of a gene or chromosome in order to qualify under this definition. Genetic test does not include a routine physical 17 examination or a routine analysis, including a chemical analysis, of body 18 fluids unless conducted specifically to determine the presence, absence, 19 or mutation of a gene or chromosome. 20

(2) Except as otherwise required by federal law, an employer shallnot:

(a) Fail or refuse to hire, recruit, or promote an employee or
applicant for employment because of genetic information that is unrelated
to the ability to perform the duties of a particular job or position;

(b) Discharge or otherwise discriminate against an employee or
applicant with respect to compensation or the terms, conditions, or
privileges of employment because of genetic information that is unrelated
to the ability to perform the duties of a particular job or position;

30 (c) Limit, segregate, or classify an employee or applicant for31 employment in a way which deprives or tends to deprive an employee or

-7-

applicant of employment opportunities or otherwise adversely affects the status of an employee or applicant because of genetic information that is unrelated to the ability to perform the duties of a particular job or position; or

5 (d) Require an employee or applicant for employment to submit to a 6 genetic test or to provide genetic information as a condition of 7 employment or promotion.

8 (3) Subsection (2) of this section does not prohibit an employee 9 from voluntarily providing to an employer genetic information that is 10 related to the employee's health or safety in the workspace. Subsection 11 (2) of this section does not prohibit an employer from using genetic 12 information received from an employee under this subsection to protect 13 the employee's health or safety.

14 (4) This section shall not apply to the employment of an individual15 by his or her parent, spouse, or child.

16 Sec. 6. Section 48-237, Reissue Revised Statutes of Nebraska, is 17 amended to read:

18 48-237 (1) For purposes of this section:

(a) Employer means a person which employs any individual within this
state as an employee <u>but shall only include a franchisor as provided in</u>
<u>section 1 of this act</u>;

22 (b) Employee means any individual permitted to work by an employer pursuant to an employment relationship or who has contracted to sell the 23 24 goods of an employer and to be compensated by commission. Services 25 performed by an individual for an employer shall be deemed to be employment, unless it is shown that (i) such individual has been and will 26 continue to be free from control or direction over the performance of 27 such services, both under his or her contract of service and in fact, 28 (ii) such service is either outside the usual course of business for 29 which such service is performed or such service is performed outside of 30 all the places of business of the enterprise for which such service is 31

-8-

performed, and (iii) such individual is customarily engaged in an
 independently established trade, occupation, profession, or business.
 This subdivision is not intended to be a codification of the common law
 and shall be considered complete as written;

5 (c) Person means the state or any individual, partnership, limited 6 liability company, association, joint-stock company, trust, corporation, 7 political subdivision, or personal representative of the estate of a 8 deceased individual, or the receiver, trustee, or successor thereof;

9 (d) Temporary employee means an employee of a temporary help firm 10 assigned to work for the clients of such temporary help firm; and

(e) Temporary help firm means a firm that hires its own employees and assigns them to clients to support or supplement the client's workforce in work situations such as employee absences, temporary skill shortages, seasonal workloads, and special assignments and projects.

15 (2) Except as otherwise provided in subsection (3) of this section,16 an employer shall not:

(a) Publicly post or publicly display in any manner more than the
last four digits of an employee's social security number, including
intentional communication of more than the last four digits of the social
security number or otherwise making more than the last four digits of the
social security number available to the general public or to an
employee's coworkers;

(b) Require an employee to transmit more than the last four digits
of his or her social security number over the Internet unless the
connection is secure or the information is encrypted;

(c) Require an employee to use more than the last four digits of his
or her social security number to access an Internet web site unless a
password, unique personal identification number, or other authentication
device is also required to access the Internet web site; or

30 (d) Require an employee to use more than the last four digits of his31 or her social security number as an employee number for any type of

-9-

5

1 employment-related activity.

2 (3)(a) Except as otherwise provided in subdivision (b) of this
3 subsection, an employer shall be permitted to use more than the last four
4 digits of an employee's social security number only for:

(i) Compliance with state or federal laws, rules, or regulations;

6 (ii) Internal administrative purposes, including provision of more 7 than the last four digits of social security numbers to third parties for 8 such purposes as administration of personnel benefit provisions for the 9 employer and employment screening and staffing; and

(iii) Commercial transactions freely and voluntarily entered into by
 the employee with the employer for the purchase of goods or services.

12 (b) The following uses for internal administrative purposes 13 described in subdivision (a)(ii) of this subsection shall not be 14 permitted:

15

(i) As an identification number for occupational licensing;

16 (ii) As an identification number for drug-testing purposes except
17 when required by state or federal law;

18 (iii) As an identification number for company meetings;

19

(iv) In files with unrestricted access within the company;

(v) In files accessible by any temporary employee unless the
temporary employee is bonded or insured under a blanket corporate surety
bond or equivalent commercial insurance; or

23 (vi) For posting any type of company information.

(4) An employer who violates this section is guilty of a Class Vmisdemeanor.

(5) Evidence of a conviction under this section is admissible in
evidence at a civil trial as evidence of the employer's negligence.

28 Sec. 7. Section 48-603, Revised Statutes Cumulative Supplement, 29 2016, is amended to read:

48-603 As used in the Employment Security Law, unless the context
 clearly requires otherwise, employer shall mean:

-10-

1 Any individual or type of organization, including (1)any 2 partnership, limited liability company, association, trust, estate, 3 joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor 4 thereof, or the legal representative of a deceased person, which for some 5 portion of a day but not necessarily simultaneously in each of twenty 6 different calendar weeks, whether or not such weeks are or were 7 consecutive, within either the current or preceding calendar year, and 8 9 for the purpose of this definition, if any week includes both December 31 and January 1, the days up to January 1 shall be deemed one calendar week 10 and the days beginning January 1 another such week, has or had in 11 employment one or more individuals, irrespective of whether the same 12 individuals are or were employed in each such day; all individuals 13 performing services for any employer of any person in this state, who 14 maintains two or more separate establishments within this state, shall be 15 16 deemed to be employed by a single employer; any artifice or device, 17 including any contract or subcontract, by an employer for the performance of work, which is a part of such employer's usual trade, occupation, 18 profession, or business, entered into for the purpose or with the intent 19 of evading the application of this section to such employer, is hereby 20 prohibited and declared to be unlawful; 21

(2) Any employer of any person in this state who in any calendar
quarter in either the current or preceding calendar year has paid wages
for employment in the total sum of fifteen hundred dollars or more;

(3) Any individual or employer of any person in this state which
acquired the organization, trade, or business, or substantially all the
assets thereof, of another employer which, at the time of such
acquisition, was an employer subject to the Employment Security Law;

(4) Any employer of any person in this state, which acquired the
organization, trade, or business, or substantially all the assets
thereof, of another employer of any person in this state, not an employer

-11-

1 subject to such law, and which, if subsequent to such acquisition it were 2 treated as a single unit with such other employer, would be an employer 3 under subdivision (1) or (2) of this section;

4 (5) Any employer of any person in this state which, having become an
5 employer under any provision of the Employment Security Law and which has
6 not, under section 48-661, ceased to be an employer subject to such law;

7 (6) For the effective period of its election pursuant to section
8 48-661, any other employer of any person in this state who has elected to
9 become fully subject to the Employment Security Law;

(7) Any employer of any person in this state not an employer by 10 reason of any other subdivision of this section (a) for which services in 11 employment are or were performed with respect to which such employer is 12 13 liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation 14 fund; or (b) which, as a condition for approval of the Employment 15 16 Security Law for full tax credit against the tax imposed by the Federal Unemployment Tax Act, is required, pursuant to such act, to be an 17 employer under the Employment Security Law; 18

19 (8) The state or any political subdivision thereof and any20 instrumentality of any one or more of the foregoing;

(9) Any organization for which service in employment as defined in
subdivision (4)(b) of section 48-604 is performed;

23 (10) Any individual or employing unit for which service in 24 employment as defined in subdivision (4)(c) of section 48-604 is 25 performed;

26 (11) Any individual or employing unit for which service in 27 employment as defined in subdivision (4)(d) of section 48-604 is 28 performed;—and

(12)(a) In determining whether or not an employing unit for which
 service other than domestic service is also performed is an employer
 under subdivision (1) or (10) of this section, the wages earned or the

-12-

1 employment of an employee performing domestic service shall not be taken
2 into account; and

3 (b) In determining whether or not an employing unit for which 4 agricultural labor is also performed is an employer under subdivision 5 (11) of this section, the wages earned or the employment of an employee 6 performing services in agricultural labor shall not be taken into 7 account. If an employing unit is determined an employer of agricultural 8 labor, such employing unit shall be determined an employer for the 9 purposes of subdivision (1) of this section; and -

<u>(13) A franchisor, but only as provided in section 1 of this act.</u>
 Sec. 8. Section 48-902, Reissue Revised Statutes of Nebraska, is
 amended to read:

13 48-902 As used in sections 48-901 to 48-912, unless the context 14 otherwise requires:

(1) Labor organization shall mean any organization, association, or group of any kind, or any agency or employee representation committee or plan, whether incorporated or unincorporated, which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work;

(2) Labor dispute shall mean any controversy between an employer and
the majority of his or her employees concerning the right or process or
details of collective bargaining or the designation of an employee
representative. Any organization with which either the employer or such
majority is affiliated may be considered a party to the labor dispute;

(3) Employer shall mean a person who engages the services of an employee, and includes any person acting on behalf of an employer within the scope of his or her authority, express or implied, but shall not include the state or any political subdivision thereof, or any labor organization or anyone acting in behalf of such organization other than when it is acting as an employer in fact. The term employer shall only

-13-

1

include a franchisor as provided in section 1 of this act;

2 (4) Person shall include one or more individuals, partnerships,
3 limited liability companies, associations, corporations, legal
4 representatives, trustees, or receivers; and

LB436

2017

5 (5) Secondary boycott shall mean combining or conspiring to cause or threaten to cause injury to one with whom no labor dispute exists, 6 7 whether by (a) withholding patronage, labor, or other beneficial business intercourse, or by intentionally and unreasonably hindering or delaying 8 9 the same, (b) picketing, (c) refusing to handle, install, use, or work on 10 particular materials, equipment, or supplies, (d) hindering or preventing, by threats, intimidation, force, coercion or sabotage, the 11 obtaining, use, or disposition of materials, equipment, or services, or 12 (e) by any other unlawful means, in order to bring him or her against his 13 14 or her will into a concerted plan to coerce or inflict damage upon another. 15

16 Sec. 9. Section 48-1002, Reissue Revised Statutes of Nebraska, is 17 amended to read:

18 48-1002 For purposes of the Age Discrimination in Employment Act:

(1) Person includes one or more individuals, partnerships, limited
liability companies, associations, labor organizations, corporations,
business trusts, legal representatives, or any organized group of
persons;

23 (2) Employer means any person having in his or her employ twenty or 24 more employees for each working day in each of twenty or more calendar 25 weeks in the current or preceding calendar year and includes the State of Nebraska, governmental agencies, and political subdivisions, regardless 26 of the number of employees, any person acting for or in the interest of 27 28 an employer, directly or indirectly, and any party whose business is financed in whole or in part under the Nebraska Investment Finance 29 Authority Act, but such term does not include (a) the United States, (b) 30 a corporation wholly owned by the government of the United States, or (c) 31

-14-

an Indian tribe. The term employer shall only include a franchisor as
 provided in section 1 of this act;

3 (3) Labor organization means any organization of employees which 4 exists for the purpose, in whole or in part, of collective bargaining or 5 of dealing with employers concerning grievances, terms, or conditions of 6 employment, or for other mutual aid or protection in connection with 7 employment;

8

(4) Employee means an individual employed by any employer; and

9 (5) Employment agency means any person regularly undertaking with or 10 without compensation to procure employees for an employer or to procure 11 for employees opportunities to work for an employer and includes an agent 12 of such a person, but does not include an agency of the United States, 13 except that such term does include the United States Employment Service 14 and the system of state and local employment services receiving federal 15 assistance.

Sec. 10. Section 48-1102, Revised Statutes Cumulative Supplement,
2016, is amended to read:

48-1102 For purposes of the Nebraska Fair Employment Practice Act,unless the context otherwise requires:

(1) Person shall include one or more individuals, labor unions,
partnerships, limited liability companies, associations, corporations,
legal representatives, mutual companies, joint-stock companies, trusts,
unincorporated organizations, trustees, trustees in bankruptcy, or
receivers;

(2) Employer shall mean a person engaged in an industry who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year, any agent of such a person, and any party whose business is financed in whole or in part under the Nebraska Investment Finance Authority Act regardless of the number of employees and shall include the State of Nebraska, governmental agencies, and political subdivisions, but such term shall

-15-

not include (a) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe or (b) a bona fide private membership club, other than a labor organization, which is exempt from taxation under section 501(c) of the Internal Revenue Code<u>. The term</u> employer shall only include a franchisor as provided in section 1 of this act;

7 (3) Labor organization shall mean any organization which exists 8 wholly or in part for one or more of the following purposes: Collective 9 bargaining; dealing with employers concerning grievances, terms, or 10 conditions of employment; or mutual aid or protection in relation to 11 employment;

(4) Employment agency shall mean any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and shall include an agent of such a person but shall not include an agency of the United States, except that such term shall include the United States Employment Service and the system of state and local employment services receiving federal assistance;

(5) Covered entity shall mean an employer, an employment agency, a
labor organization, or a joint labor-management committee;

(6) Privileges of employment shall mean terms and conditions of any
 employer-employee relationship, opportunities for advancement of
 employees, and plant conveniences;

24 (7) Employee shall mean an individual employed by an employer;

25

(8) Commission shall mean the Equal Opportunity Commission;

(9) Disability shall mean (a) a physical or mental impairment that 26 substantially limits one or more of the major life activities of such 27 28 individual, (b) a record of such an impairment, or (c) being regarded as having such an impairment. Disability shall not include homosexuality, 29 30 bisexuality, transvestism, transsexualism, pedophilia, exhibitionism, 31 voyeurism, gender-identity disorders not resulting physical in

-16-

impairments, other sexual behavior disorders, problem gambling,
 kleptomania, pyromania, or psychoactive substance use disorders resulting
 from current illegal use of drugs;

(10)(a) Qualified individual with a disability shall mean 4 an 5 individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment 6 position that such individual holds or desires. Consideration shall be 7 given to the employer's judgment as to what functions of a job are 8 essential, and if an employer has prepared a written description before 9 advertising or interviewing applicants for the job, this description 10 shall be considered evidence of the essential functions of the job; 11

(b) Qualified individual with a disability shall not include any
employee or applicant who is currently engaged in the illegal use of
drugs when the covered entity acts on the basis of such use; and

(c) Nothing in this subdivision shall be construed to exclude as aqualified individual with a disability an individual who:

(i) Has successfully completed a supervised drug rehabilitation
program or otherwise been rehabilitated successfully and is no longer
engaging in the illegal use of drugs;

(ii) Is participating in a supervised rehabilitation program and isno longer engaging in such use; or

(iii) Is erroneously regarded as engaging in such use but is notengaging in such use;

(11) Reasonable accommodation, with respect to disability, shall 24 include making existing facilities used by employees readily accessible 25 to and usable by individuals with disabilities, job restructuring, part-26 time or modified work schedules, reassignment to a vacant position, 27 28 acquisition or modification of equipment or devices, appropriate adjustment or modification of examinations, training manuals, 29 or policies, the provision of qualified readers or interpreters, and other 30 31 similar accommodations for individuals with disabilities. Reasonable

-17-

accommodation, with respect to pregnancy, childbirth, or related medical 1 2 conditions, shall include acquisition of equipment for sitting, more frequent or longer breaks, periodic rest, assistance with manual labor, 3 4 job restructuring, light-duty assignments, modified work schedules, 5 temporary transfers to less strenuous or hazardous work, time off to recover from childbirth, or break time and appropriate facilities for 6 breast-feeding or expressing breast milk. Reasonable accommodation shall 7 not include accommodations which the covered entity can demonstrate 8 9 require significant difficulty or expense thereby posing an undue 10 hardship upon the covered entity. Factors to be considered in determining whether an accommodation would pose an undue hardship shall include: 11

12 (a) The nature and the cost of the accommodation needed under the13 Nebraska Fair Employment Practice Act;

(b) The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation, the number of persons employed at such facility, the effect on expenses and resources, or the impact otherwise of such accommodation upon the operation of the facility;

(c) The overall financial resources of the covered entity, the overall size of the business of a covered entity with respect to the number of its employees, and the number, type, and location of its facilities; and

(d) The type of operation or operations of the covered entity,
including the composition, structure, and functions of the work force of
such entity, and the geographic separateness and administrative or fiscal
relationship of the facility or facilities in question to the covered
entity;

28 (12) Marital status shall mean the status of a person whether 29 married or single;

30 (13) Because of sex or on the basis of sex shall include, but not be31 limited to, because of or on the basis of pregnancy, childbirth, or

-18-

1 related medical conditions;

(14) Harass because of sex shall include making unwelcome sexual 2 advances, requesting sexual favors, and engaging in other verbal or 3 4 physical conduct of a sexual nature if (a) submission to such conduct is 5 made either explicitly or implicitly a term or condition of an individual's employment, (b) submission to or rejection of such conduct 6 by an individual is used as the basis for employment decisions affecting 7 such individual, or (c) such conduct has the purpose or effect of 8 9 unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment; 10

(15) Unlawful under federal law or the laws of this state shall mean acting contrary to or in defiance of the law or disobeying or disregarding the law;

14 (16) Drug shall mean a controlled substance as defined in section 15 28-401;

16 (17) Illegal use of drugs shall mean the use of drugs, the 17 possession or distribution of which is unlawful under the Uniform 18 Controlled Substances Act, but shall not include the use of a drug taken 19 under supervision by a licensed health care professional or any other use 20 authorized by the Uniform Controlled Substances Act or other provisions 21 of state law; and

(18) Individual who is pregnant, who has given birth, or who has a 22 related medical condition shall mean an individual with a known 23 24 limitation who, with or without reasonable accommodation, can perform the 25 essential functions of the employment position that such individual holds, desires, or may be temporarily assigned to. Consideration shall be 26 given to the employer's judgment as to what functions of a job are 27 28 essential, and if an employer has prepared a written description before advertising or interviewing applicants for the job, this description 29 shall be considered evidence of the essential functions of the job. 30

31 Sec. 11. Section 48-1202, Reissue Revised Statutes of Nebraska, is

-19-

1 amended to read:

2 48-1202 For purposes of the Wage and Hour Act, unless the context3 otherwise requires:

4 (1) Employ shall include to permit to work;

5 (2) Employer shall include any individual, partnership, limited liability company, association, corporation, business trust, 6 legal 7 representative, or organized group of persons employing four or more employees at any one time except for seasonal employment of not more than 8 9 twenty weeks in any calendar year, acting directly or indirectly in the interest of an employer in relation to an employee, but shall not include 10 the United States, the state, or any political subdivision thereof. The 11 term employer shall only include a franchisor as provided in section 1 of 12 13 this act;

14 (3) Employee shall include any individual employed by any employer15 but shall not include:

16 (a) Any individual employed in agriculture;

17 (b) Any individual employed as a baby-sitter in or about a private18 home;

19 (c) Any individual employed in a bona fide executive,
20 administrative, or professional capacity or as a superintendent or
21 supervisor;

(d) Any individual employed by the United States or by the state orany political subdivision thereof;

(e) Any individual engaged in the activities of an educational,
charitable, religious, or nonprofit organization when the employeremployee relationship does not in fact exist or when the services
rendered to such organization are on a voluntary basis;

28 (f) Apprentices and learners otherwise provided by law;

(g) Veterans in training under supervision of the United States
Department of Veterans Affairs;

31 (h) A child in the employment of his or her parent or a parent in

-20-

1 the employment of his or her child; or

(i) Any person who, directly or indirectly, is receiving any form of
federal, state, county, or local aid or welfare and who is physically or
mentally disabled and employed in a program of rehabilitation, who shall
receive a wage at a level consistent with his or her health, efficiency,
and general well-being;

7 (4) Occupational classification shall mean a classification
8 established by the Dictionary of Occupational Titles prepared by the
9 United States Department of Labor; and

(5) Wages shall mean all remuneration for personal services,
including commissions and bonuses and the cash value of all remunerations
in any medium other than cash.

Sec. 12. Section 48-1220, Revised Statutes Cumulative Supplement,
2016, is amended to read:

15 48-1220 As used in sections 48-1219 to 48-1227.01, unless the 16 context otherwise requires:

17 (1) Employee shall mean any individual employed by an employer,
18 including individuals employed by the state or any of its political
19 subdivisions including public bodies;

(2) Employer shall mean any person engaged in an industry who has 20 two or more employees for each working day in each of twenty or more 21 calendar weeks in the current or preceding calendar year, any agent of 22 23 such person, and any party whose business is financed in whole or in part 24 under the Nebraska Investment Finance Authority Act, and includes the State of Nebraska, its governmental agencies, and political subdivisions, 25 regardless of the number of employees, but such term shall not include 26 the United States, a corporation wholly owned by the government of the 27 United States, or an Indian tribe. The term employer shall only include a 28 franchisor as provided in section 1 of this act; 29

30 (3) Wage rate shall mean all compensation for employment including31 payment in kind and amounts paid by employers for employee benefits as

-21-

defined by the commission in regulations issued under sections 48-1219 to
 48-1227;

3 (4) Employ shall include to suffer or permit to work;

4 (5) Commission shall mean the Equal Opportunity Commission; and
5 (6) Person shall include one or more individuals, partnerships,
6 limited liability companies, corporations, legal representatives,
7 trustees, trustees in bankruptcy, or voluntary associations.

8 Sec. 13. Section 48-1229, Revised Statutes Cumulative Supplement,
9 2016, is amended to read:

48-1229 For purposes of the Nebraska Wage Payment and Collection
Act, unless the context otherwise requires:

(1) Employee means any individual permitted to work by an employer 12 13 pursuant to an employment relationship or who has contracted to sell the goods or services of an employer and to be compensated by commission. 14 Services performed by an individual for an employer shall be deemed to be 15 employment, unless it is shown that (a) such individual has been and will 16 17 continue to be free from control or direction over the performance of such services, both under his or her contract of service and in fact, (b) 18 such service is either outside the usual course of business for which 19 such service is performed or such service is performed outside of all the 20 places of business of the enterprise for which such service is performed, 21 22 and (c) such individual is customarily engaged in an independently established trade, occupation, profession, or business. This subdivision 23 24 is not intended to be a codification of the common law and shall be 25 considered complete as written;

(2) Employer means the state or any individual, partnership, limited
liability company, association, joint-stock company, trust, corporation,
political subdivision, or personal representative of the estate of a
deceased individual, or the receiver, trustee, or successor thereof,
within or without the state, employing any person within the state as an
employee. The term employer shall only include a franchisor as provided

-22-

1 in section 1 of this act;

2 (3) Federally insured financial institution means a state or 3 nationally chartered bank or a state or federally chartered savings and 4 loan association, savings bank, or credit union whose deposits are 5 insured by an agency of the United States Government;

6 (4) Fringe benefits includes sick and vacation leave plans, 7 disability income protection plans, retirement, pension, or profit-8 sharing plans, health and accident benefit plans, and any other employee 9 benefit plans or benefit programs regardless of whether the employee 10 participates in such plans or programs;

11 (5) Payroll debit card means a stored-value card issued by or on 12 behalf of a federally insured financial institution that provides an 13 employee with immediate access for withdrawal or transfer of his or her 14 wages through a network of automatic teller machines. Payroll debit card 15 includes payroll debit cards, payroll cards, and paycards; and

16 (6) Wages means compensation for labor or services rendered by an employee, including fringe benefits, when previously agreed to and 17 conditions stipulated have been met by the employee, whether the amount 18 is determined on a time, task, fee, commission, or other basis. Paid 19 leave, other than earned but unused vacation leave, provided as a fringe 20 benefit by the employer shall not be included in the wages due and 21 payable at the time of separation, unless the employer and the employee 22 23 or the employer and the collective-bargaining representative have 24 specifically agreed otherwise. Unless the employer and employee have specifically agreed otherwise through a contract effective at the 25 commencement of employment or at least ninety days prior to separation, 26 whichever is later, wages includes commissions on all orders delivered 27 28 and all orders on file with the employer at the time of separation of 29 employment less any orders returned or canceled at the time suit is filed. 30

31

Sec. 14. Section 48-1902, Reissue Revised Statutes of Nebraska, is

LB436 2017

17

2 48-1902 For purposes of sections 48-1901 to 48-1910, unless the
3 context otherwise requires:

LB436 2017

(1) Alcohol means any product of distillation of any fermented 4 liquid, whether rectified or diluted, whatever may be the origin thereof, 5 synthetic ethyl alcohol, the four varieties of liquor, alcohol, spirits, 6 7 wine, and beer, as defined in sections 53-103.01, 53-103.03, 53-103.38, and 53-103.42, every liquid or solid, patented or not, containing 8 9 alcohol, spirits, wine, or beer, and alcohol used in the manufacture of 10 denatured alcohol, flavoring extracts, syrups, or medicinal, mechanical, scientific, culinary, and toilet preparations; 11

12 (2) Breath-testing device means intoxilyzer model 4011AS or other
13 scientific testing equivalent as approved by and operated in accordance
14 with the department rules and regulations;

(3) Breath-testing-device operator means a person who has obtained
or been issued a permit pursuant to the department rules and regulations;

(4) Department means the Department of Health and Human Services;

18 (5) Department rules and regulations means the techniques and
19 methods authorized pursuant to section 60-6,201;

(6) Drug means any substance, chemical, or compound as described,
defined, or delineated in sections 28-405 and 28-419 or any metabolite or
conjugated form thereof, except that any substance, chemical, or compound
containing any product as defined in subdivision (1) of this section may
also be defined as alcohol;

(7) Employee means any person who receives any remuneration,
commission, bonus, or other form of wages in return for such person's
actions which directly or indirectly benefit an employer; and

(8) Employer means the State of Nebraska and its political
subdivisions, all other governmental entities, or any individual,
association, corporation, or other organization doing business in the
State of Nebraska unless it, he, or she employs a total of less than six

-24-

LB436 LB436 2017 2017 1 full-time and part-time employees at any one time. The term employer 2 shall only include a franchisor as provided in section 1 of this act. Sec. 15. Section 48-2208, Reissue Revised Statutes of Nebraska, is 3 4 amended to read: 5 48-2208 For purposes of the Non-English-Speaking Workers Protection Act, unless the context otherwise requires: 6 7 (1) Actively recruit means any affirmative act, as defined by the department, done by or on behalf of an employer for the purpose of 8 9 recruitment or hiring of non-English-speaking employees who reside more than five hundred miles from the place of employment; 10 11 (2) Commissioner means the Commissioner of Labor; 12 (3) Coordinator means the meatpacking industry worker rights 13 coordinator appointed pursuant to section 48-2213; (4) Department means the Department of Labor; 14 (5) Employ means to permit to work; 15 (6) Employee means any individual employed by any employer but does 16 17 not include:

18 (a) Any individual employed in agriculture; or

(b) Any individual employed as a child care provider in or for aprivate home;

(7) Employer means any individual, partnership, limited liability 21 22 company, association, corporation, business trust, legal representative, or organized group of persons employing one hundred or more employees at 23 24 any one time, except for seasonal employment of not more than twenty weeks in any calendar year, or person acting directly or indirectly in 25 the interest of an employer in relation to an employee but does not 26 27 include the United States, the state, or any political subdivision thereof. The term employer shall only include a franchisor as provided in 28 section 1 of this act; 29

30 (8) Meatpacking operation means a business in which slaughtering,
 31 butchering, meat canning, meatpacking, meat manufacturing, poultry

-25-

LB436

2017

canning, poultry packing, poultry manufacturing, pet food manufacturing,
 processing of meatpacking products, or rendering is carried on;

3 (9) Meatpacking products includes livestock products and poultry
4 products as such terms are defined in section 54-1902; and

5 (10) Non-English-speaking employee means an employee who does not 6 speak, read, or understand English to the degree necessary for 7 comprehension of the terms, conditions, and daily responsibilities of 8 employment.

9 Sec. 16. Section 48-2302, Revised Statutes Cumulative Supplement,
10 2016, is amended to read:

11 48-2302 For purposes of the New Hire Reporting Act:

12 (1) Date of hire means the day an employee begins employment with an13 employer;

14 (2) Department means the Department of Health and Human Services;

(3) Employee means an independent contractor or a person who is
compensated by or receives income from an employer or other payor,
regardless of how such income is denominated;

(4) Employer means any individual, partnership, limited liability
 company, firm, corporation, association, political subdivision, or
 department or agency of the state or federal government, labor
 organization, or any other entity with an employee. The term employer
 shall only include a franchisor as provided in section 1 of this act;

(5) Income means compensation paid, payable, due, or to be due for
labor or personal services, whether denominated as wages, salary,
earnings, income, commission, bonus, or otherwise;

(6) Payor includes a person, partnership, limited partnership,
limited liability partnership, limited liability company, corporation, or
other entity doing business or authorized to do business in the State of
Nebraska, including a financial institution, or a department or an agency
of state, county, or city government; and

31 (7) Rehire means the first day an employee begins employment with

-26-

8

17

the employer following a termination of employment with such employer. Termination of employment does not include temporary separations from employment, such as an unpaid medical leave, an unpaid leave of absence, a temporary layoff of less than sixty days in length, or an absence for disability or maternity.

Sec. 17. Section 48-3502, Revised Statutes Cumulative Supplement,
2016, is amended to read:

48-3502 For purposes of the Workplace Privacy Act:

9 (1) Adverse action means the discharge of an employee, a threat 10 against an employee, or any other act against an employee that negatively 11 affects the employee's employment;

12 (2) Applicant means a prospective employee applying for employment;

(3) Electronic communication device means a cellular telephone,
personal digital assistant, electronic device with mobile data access,
laptop computer, pager, broadband personal communication device, two-way
messaging device, electronic game, or portable computing device;

(4) Employee means an individual employed by an employer;

(5) Employer means a public or nonpublic entity or an individual engaged in a business, an industry, a profession, a trade, or other enterprise in the state, including any agent, representative, or designee acting directly or indirectly in the interest of such an employer. The term employer shall only include a franchisor as provided in section 1 of this act; and

(6)(a) Personal Internet account means an individual's online
 account that requires login information in order to access or control the
 account.

27 (b) Personal Internet account does not include:

(i) An online account that an employer or educational institution
supplies or pays for, except when the employer or educational institution
pays only for additional features or enhancements to the online account;
or

-27-

(ii) An online account that is used exclusively for a business
 purpose of the employer.

3 Sec. 18. The Revisor of Statutes shall assign section 1 of this act 4 to Chapter 48, article 2.

Sec. 19. Original sections 48-106, 48-220, 48-234, 48-236, 48-237,
48-902, 48-1002, 48-1202, 48-1902, and 48-2208, Reissue Revised Statutes
of Nebraska, and sections 48-603, 48-1102, 48-1220, 48-1229, 48-2302, and
48-3502, Revised Statutes Cumulative Supplement, 2016, are repealed.