

# Election Results May Lead to More States Implementing Paid Leave

## Labor & Employment Law Update

By Stephen Pauwels and Sara Zorich on November 26, 2024

2025 is set to be another year of expanded paid leave requirements for employers. While the results are still preliminary, employers should start preparing in the states that have voted in new leave laws.

### Missouri

Voters passed Proposition A, which raises the minimum wage from \$8.60/hour to \$13.75/hour and mandates paid sick leave starting May 1, 2025. The paid sick leave provisions require employers to provide one hour of sick leave for every 30 hours worked up to five days (employers with fewer than 15 employees) and seven days (employers with 15 or more employees).

Proposition A lets employees carry over up to 80 hours of accrued but unused sick time from year to year. It also includes caps on sick leave an employee can take in a given year (40 hours for small employers, 80 for large employers), a prohibition against imposing a waiting time before an employee can use accrued hours, and exempting employers with a paid leave plan that meets or exceeds the minimum requirements. *Missouri is expected to certify its election results on December 10, however, business law groups are expected to challenge the law, which may delay or derail the implementation.*

### Nebraska

Voters passed Initiative 436, which is set to enact the Nebraska Healthy Families and Workplace Act, requiring employers to provide paid leave at a rate of one hour for every 30 hours worked to employees that work at least 80 hours starting on October 1, 2025. The amount of leave an employee can earn depends on the size of their employer: 40 hours (20 employees or less) or 56 hours (20 or more employees).

The act has no cap on carryover of accrued but unused sick leave, though employers may cap the amount of sick time used (40 hours for small employers, 56 for large employers). Under the law, employers will need to provide notice to current employees by September 15, 2025. *Nebraska is expected to certify its election results on December 2; the measure goes into effect within 10 days after that.*

## Alaska

Voters passed Ballot Measure No. 1, which increases the minimum wage from \$11.73/hour to \$13/hour starting July 1, 2025, with \$1/hour increases on July 1, 2026 and July 1, 2027. It also mandates paid sick leave beginning on July 1, 2025. Paid sick leave would accrue at a rate of one hour for every 40 hours worked. The amount of leave an employee can earn varies: 40 hours (employers with 20 employees or less) or 56 hours (employers with 20 or more employees).

There is no cap on the amount of accrued but unused sick leave an employee can carry over from year to year, but an employer may limit its employees' use of sick leave in any given year (40 hours for small employers, 56 for large employers).

## Michigan

Michigan's revised Earned Sick Time Act is poised to become effective on February 21, 2025. The law permits employees to earn one hour for every 30 hours worked. Small employers (fewer than 10 employees) are required to permit employees to earn 40 paid sick leave hours and an additional 32 unpaid sick leave hours per year. Employers with 10 or more employees are required to permit employees to earn up to 72 paid sick leave hours per year.

The employee's paid sick leave accrual carries over from year to year, but small employers are not required to allow employees to use more than 40 hours of paid leave and 32 hours of unpaid leave and large employers 72 hours of paid leave in any single year. The law also requires a posting.

## Conclusion

Employers should review their current policies to determine compliance with these upcoming laws and seek out legal advice to make sure their policies comply with all applicable laws.

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