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# Nebraska Enacts Mini-WARN Act and Healthcare Staffing Requirements Through LB 921

## Overview

With Legislative Bill 921 (LB 921), Nebraska has joined a growing number of states enacting worker protection legislation that exceeds federal standards. The bill addresses two distinct areas: (1) worker notification during layoffs and closures through a state-level Worker Adjustment and Retraining Notification (WARN) Act, and (2) healthcare staffing agency oversight intended to protect healthcare workers and ensure quality standards.

## Key Takeaways

LB 921 established two significant worker protection frameworks: the Nebraska WARN Act and the Health Care Staffing Agency Registration Act.

The Nebraska WARN Act requires employers with 100+ employees to provide 90-day advance notice of business closings and mass layoffs.

The Health Care Staffing Agency Registration Act mandates annual registration, prohibits noncompete clauses and conversion fees, and establishes comprehensive compliance requirements.

Nebraska WARN provisions take effect July 2026; healthcare staffing provisions take effect July 2027.

Both Acts include civil penalties for violations and grant enforcement authority to the Nebraska Department of Labor.

## Nebraska WARN Act

### 1. 90-Day Notice Requirement

LB 921 requires employers with 100 or more employees (excluding part-time employees) to provide 90 days' advance written notice before implementing a business closing or mass layoff (defined as an employment loss at a single site of 100 or more employees). This represents a significant departure from the federal WARN Act, which requires only 60 days' notice.

Employers must provide written notice to affected employees (or their union representatives) and the Nebraska Department of Labor. The notice must include the employment site name and address, company contact information, whether the action is permanent or temporary, the expected date and schedule of employment losses, job titles and names of affected employees, and—uniquely—copies of all employee handbooks, personnel policies, and employment-related policies applicable to affected employees, or a statement identifying where such materials can be accessed online. Employers must also post the notice conspicuously at the worksite in languages spoken by at least 5% of the workforce.

### 2. Aggregation and Exceptions

Employers must aggregate employment losses occurring within any 90-day period to determine if notice is required, unless they can demonstrate to the Department that the losses resulted from “separate and distinct actions and causes.” This is intended to prevent avoiding notice requirements through serial smaller reductions.

The Act provides three narrow exceptions allowing reduced notice that mirror the federal WARN Act exceptions: (1) for business closings only, when the employer was actively seeking capital or business and reasonably believed giving notice would preclude obtaining it; (2) when unforeseeable business circumstances caused by sudden, dramatic, and unexpected events outside the employer's control occurred; and (3) when a natural disaster directly caused the closure or layoff. All exceptions require the employer to provide a statement explaining the reduced notice period and are to be narrowly construed.

Employers may also reduce the 90-day notice period by the number of days for which they pay severance or wages in lieu of notice, provided such payments equal at least the regular pay the employee would have earned during the notice period.

## Health Care Staffing Agency Registration Act

### 1. Registration and Scope

Beginning July 1, 2027, all healthcare staffing agencies operating in Nebraska must register annually with the Department of Labor and pay a \$1,500 registration fee per physical Nebraska location (or \$1,500 for statewide registration if the agency has no Nebraska physical location).

The Act broadly defines “healthcare staffing agency” to include traditional staffing agencies and modern healthcare technology platforms. Healthcare technology platforms are defined as entities operating internet or app-based marketplaces that allow workers to bid on or select open shifts posted by healthcare facilities and allow facilities to set rates changeable only by contractual amendment.

The Act covers agencies providing workers who perform “direct services”—nursing services or other person-to-person patient care—to healthcare facilities or services. It excludes physicians, surgeons, osteopathic physicians, and nurse practitioners in independent practice. Renewal applications must be filed at least 60 days before expiration, and the Department will issue certificates of registration and maintain a public database of registered agencies accessible on its website.

## **2. Compliance Requirements**

Registered agencies must ensure each worker complies with all applicable federal and state licensing, certification, registration, and healthcare requirements, and they must document such compliance. Agencies must maintain records for each worker and make them available to the Department within 14 calendar days of request. Technology platforms must make records stored on the platform accessible to all workers.

Agencies must maintain or require workers to maintain professional and general liability insurance with minimum coverage of \$1 million per occurrence and \$3 million aggregate. Agencies must also provide proof of workers’ compensation insurance, self-insurance approval, a statement that workers’ compensation is not required, or occupational accident coverage for all workers. Agencies ceasing operations must notify the Department and maintain all files and records for two years.

## **3. Prohibited Contract Terms**

The Act prohibits healthcare staffing agencies from including noncompete clauses in any contract with workers or healthcare facilities. This marks a departure from current law in Nebraska, which in other contexts focuses on whether a noncompete provision is “reasonable” and leaves enforceability to the courts. Agencies also cannot require payment of liquidated damages, employment fees, or other compensation if a worker is subsequently hired as a permanent employee by the healthcare facility.

## **What This Means to You**

Nebraska employers should ensure they stay updated on new legislation and prepare for changes by updating policies and training HR and legal teams. They should adjust workforce planning timelines to accommodate the 90-day notice requirement, if applicable, even if they are already complying with federal WARN. Employers should develop systems to track employee counts (excluding part-time employees defined as those working fewer than 20 hours per week or employed fewer than six of the preceding twelve months), aggregate employment losses over rolling 90-day periods, and compile comprehensive policy documentation for notice purposes.

As to the Health Care Staffing Act, Agencies have until July 1, 2027, to prepare for compliance but should begin immediately given the scope of required changes. Agencies may need to modify template agreements with workers to eliminate noncompete clauses, restructure or remove liquidated damages and employment fee provisions (except those meeting statutory exceptions), secure required insurance coverage, develop worker credentialing verification systems, and implement record retention protocols.

## **Contact Us**

For more detailed information regarding how this Bill could impact your business or organization, please contact Jenna Brofsky, Haley Judd Robinson, or your Husch Blackwell attorney.