



March 13, 2025

Chair Taylor, Vice Chair Bonham and members of the committee,

My name is Odalis Aguilar Aguilar and I am a political coordinator at Oregon AFSCME. Our union represents over 39,000 workers across the state in both public and private sectors and we believe in economic and social justice for all Oregon workers and their families. I am here today to share strong support for SB 968 with the -1 amendment.

Currently, there is no lookback period in statute that prevents any employer from clawing back money even if the overpayment happened years ago. Our members who are state employees have witnessed clawbacks for the last 2 years because of errors with the current payroll system and ***continue to be frustrated with the inability to find solutions***. You've already heard the stories of folks being notified of errors without explanation for the clawbacks. I wanted to provide more insight on what this really means for everyday Oregonians based on what we've heard directly from those on the ground.

- While the program is proficient with typical workday hours, 9am-5pm but, it is not able to accurately track other shifts; it pays graveyard shifts as overtime resulting in massive over payments which is very common, especially at the agencies where programs operate 24/7.
- The only way to correct the issue is to create a 'work around' in which the system is forced to come to a certain amount and that is achieved by manipulating hours or amounts paid. The issue with this solution is that it does not allow for any cross checking or any amount of consistency or accountability. In creating the 'work arounds' to force Workday to pay a certain amount, Payroll Analysts are not adhering to accounting laws.
- Employees are expected to pay for the taxes that were not reversed which means that the employee is paying taxes on earnings that they never had.
- The 5% referenced in the -1 is only the maximum amount if the employee does not agree to a higher percentage but leaves room for a higher amount to be deducted if they agree.

Before Workday was implemented, the state worked off a double entry payroll system which allowed for checks and balances within the system- an Analyst would be able to see hours worked and hours paid with ease and be able to cross check that with time sheets. While mistakes are always a part of any system; they are easily caught and fixed with a double entry payroll system. Checks could be voided and reversed in entirety. Exception reports were accurate and simple. Time mistakes causing over/under payments could be found and possibly corrected. Garnishments could be charged against wages appropriately. Workday does not have the ease of use or creditability of the old payroll system.



We understand that mistakes happen, but we believe it's unacceptable to not address these issues in a timely manner and find solutions so that they do not happen again. Employees are not asking for these overpayments and many have created systems already in place for when they receive money that they are entitled to but we also know of many who have endorsed extreme financial hardship due to the employer's inability to calculate wages.