



ESC PG&E Overpayment Advice Guide

Legal background

California Labor Law (Labor Code Section 221) is very clear that employers cannot recover overpaid wages without the express written consent of the employee. This is why PG&E tries to make employees sign a repayment agreement. You don't have to sign a repayment agreement – but on the other hand, if you don't sign and the overpayment is real, PG&E can then say that you owe them money and send that "debt" to a collections agency, which will impact your credit rating. The Union recommends that if you know the overpayment is real, you should work out and sign a repayment agreement.

Check the math

ESC's first advice in overpayment situations is to check PG&E's math. After all, if they got it wrong the first time, why are they so sure they have it right now? You should not sign a repayment agreement until you are fully satisfied that their calculations are correct. You can ask your shop steward to review the math as well. If there are discrepancies or things you don't understand, you can ask payroll to show you all their calculations, and in complex situations employees have asked to have a payroll supervisor or manager explain over the phone, possibly with the steward on the call too.

Repayment Period

There is no absolute standard for when the repayment must be done. PG&E generally offers a few options in their first letter to the employee. That may be acceptable for small amounts, but for larger amounts ESC's general guideline is that you should have the option to pay it "back in at the rate it came out." For example, if you were overpaid \$100/month for fifteen months and now owe \$1,500, you should be allowed to pay it back at the rate of \$100/month for fifteen months. You do not need to accept PG&E's standard options, but if you owe the money, you will need to work out a payment plan that works for you.

Union Involvement

Overpayment repayment agreements do not require authorization from the Union. An employee *is* allowed to work out a payment plan directly with the payroll department. Once they agree on terms, the employee signs the payroll deduction. The Union is not a party to the overpayment agreement. There have been a few exceptional cases (for very large amounts) where Union Reps have negotiated the repayment amount and repayment plan with PG&E Labor Relations, but this is extremely rare. Usually the Union Rep's role is to provide the member with advice.

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