

Vice Speaker Intros Bill Requiring GWA to Tell Customers About the Amortized SDC Program

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Guam - Vice Speaker B.J. Cruz has introduced a bill requiring the Guam Waterworks Authority to notify ratepayer that a program is available that will help make GWA's System Development Charge [SDC] more affordable.

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The SDC is meant to help GWA recover the cost of hooking up a newly constructed office building or residential home to the island's water and sewer system.

A release from the Senator says that GWA issued \$794,128 in System Development charges in FY 2010. The typical fee for construction of a single family residential home is \$5600.

The law authorizing the SDC allows certain people who meet "low or moderate income" criteria, to pay as little as \$1,000 of that System Development Charge initially, and then to amortize the outstanding balance over the next 15 years.

The Vice Speaker says that his staff was informed by the Guam Housing Corporation that only 6 people have participated in this program.

So to make sure residents are aware of it, Cruz has introduced Bill 383 which specifically requires the notice be placed on each GWA ratepayer's monthly bill, on GWA's website and at the Office of each village Mayor.

[Read Bill # 383](#)

The release quotes Senator Cruz as saying that *"a program like this isn't worth much if the people who need the help don't know it exists."*

READ Senator Cruz's release in FULL below:

Cruz: Public should be made more aware of Amortized System Development Charge

(November 27, 2011 - Hagåtña) The availability of a program to make the Guam Waterworks System Development Charge more affordable should be made more public. That is what Benjamin J.F. Cruz said late last week after filing legislation requiring GWA to notify ratepayers of a program to make the charge more affordable to low to moderate income families.

Bill No. 383-31 specifically requires the notice be placed on each GWA ratepayer's monthly bill, on GWA's website, and at the office of each village mayor.

The SDC was intended to assist GWA recover costs associated with the construction, expansion, upgrade, and repair of water and wastewater facilities for users who are for the first time connecting property into the Guam water or wastewater system or for builders if the density of the existing connection is increased. In Fiscal Year 2010, GWA charged up \$794,128 for the SDC. The fee for a single family residential home is typically \$5600.

The law which created the Amortized System Development Charge, provided that certain residents who desire to construct or purchase a home who meet the criteria of "low or moderate income" as defined by the Guam Housing Corporation, should instead be assessed an initial system development charge equal to \$1000 with the remainder to be amortized over a 15-year period.

"In an inquiry with Guam Housing Corporation, my staff was advised that only 6 persons have participated in the amortized SDC program since January and a program like this isn't worth much if the people who need the help don't know it exists" Cruz stated.

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