

Representative Robert J. Wittman, VA-01

Intro:

Chairwoman Kaptur and Ranking Member Simpson,

As a representative of Virginia, home to the Port of Virginia – one of the largest and busiest ports on the eastern seaboard – adequately funding the Army Corps of Engineers Civil Works Program and directing at least one construction new start designation for navigation are essential to maintaining and advancing the work being done by the Port of Virginia to improve and expand its operations.

Since 2014, vessels calling on the Port of Virginia have nearly doubled in size from 8,000 Twenty-Foot Equivalent Unit (TEUs) to 14,400 TEUs. Based on this growth the Port is preparing for 16,000 and 18,000 TEU ultra-large container vessels in the near future. At its current depth and width, the Port is experiencing an urgent need to deepen and expand its channels.

In January 2018, the U.S. Army Corps of Engineers (USACE) called for additional deepening and widening of the Port's Thimble Shoals Channel and in February of 2018, the Corps recommended to Congress additional widening to 1400 feet in the Thimble Shoals Channel at the Port. The deepening to 55 feet and widening to 1400 feet as recommended by the Corps of the Thimble Shoals Channel received full authorization when President Trump signed into law, the Water Resources Development Act (WRDA) of 2018.

Currently, The Port of Virginia is the fifth largest container port complex in the U.S. It manages cargo ranging from containers, vehicles and non-containerized cargoes, and

commodities ranging from forest products, minerals, and grains to auto parts and retail merchandise.

It is a national gateway for waterborne commerce, supporting businesses in all 48 contiguous states. With 35% of its cargo moving by rail, The Port of Virginia leads the East and Gulf Coasts in percentage rail-served cargo. Cargo moving through the Port operations helps support 530,000 jobs across Virginia, which is about one out of every nine residents in the state. It generates \$88.4 billion in annual economic impact in Virginia.

The frequency of ultra-large container vessels calling on the Port has increased dramatically, displacing smaller vessels and leading to one-way traffic through its Harbor and Channels. Current navigation of one-way traffic is not sustainable and creates uncertainty and inefficiency for businesses and their supply chains as well as customers. Additionally, one-way traffic has led to interruptions with operations of vessels at Naval Station Norfolk presenting possible national security concerns. Widening to 1,400 ft. will make way for safe and efficient two-way passage between larger commercial vessels and other operators in the Harbor and Channels including the Navy.

As larger vessels continue to call on the Port of Virginia, increasing the depth of the channels at the Port is becoming progressively important. By deepening to 55 feet, the Port is positioned to allow larger ships visiting the Port to arrive and depart fully loaded and will make for safer and more timely passage through the channels.

Public and private non-federal interests have invested billions of dollars on land-side infrastructure to prepare for the future and are prepared to provide additional investments to complete these crucial navigation projects. Between the Port's two major terminal improvement projects, the Port and Virginia have invested a combined \$670 million that will improve and expand the Port's operations. Additionally, the State has made an additional investment of \$350 million for navigation improvement to compliment federal investments in the Norfolk Harbor and Channel Project.

With a Benefit-Cost-Ratio of more than \$5 returned for \$1 invested in construction, the Norfolk Harbor deepening and widening presents a huge return on investment for the nation. It will allow American businesses from across the country to further benefit from The Port of Virginia as an integral part of their supply chain.

To continue momentum exhibited by WRDA 2018 and the \$2.5 million included in the President's FY20 Budget for Pre-Construction Engineering and Design for the Thimble Shoals Channel widening and Deepening, I have submitted the following requests to the Subcommittee:

- 1. \$2.6 billion in total funding for USACE Construction Account**
- 2. \$50 million in total funding for the USACE Operations and Maintenance Account, Donor & Energy Transfer Program**
- 3. \$1.59 billion in total funding for the Harbor Maintenance Trust Fund**
- 4. At least one construction start OR "New Start" designation for navigation**

Conclusion:

I want to thank Chairwoman Marcy Kaptur, Ranking Member Mike Simpson, and Members of the Energy and Water Development Subcommittee for this opportunity to testify today on these important matters which are vital to my state of Virginia and what I believe are also important to the nation.