

Witness Statement for January 2026 T&I Member Day

Mr. Cloud of Texas

- Thank you, Mr. Chairman, for the opportunity to testify to discuss a critical Army Corps project within my District along the Texas Gulf Coast.
- I am here today to discuss the additional authorization required for the Matagorda Ship Channel Improvement Project, Texas to address the Section 902 Cost Limit.
- The project was originally authorized for construction in the Water Resources Development Act of 2020.
- During the Preconstruction Engineering and Design (PED) phase, the Army Corps identified a discrepancy between its PED calculations concerning the quantity of material to be dredged from the Matagorda Ship Channel and the amount evaluated in the feasibility study.
- The Army Corps error in quantities is the sole reason the project costs have exceeded the Section 902 Cost Limit.
- The project could be under construction *today* if not for the error by the Army Corps and the need for additional authorization.
- Deepening and widening of the Matagorda Ship Channel would not only produce over \$1 billion in economic growth for the region and more than 1,000 new jobs, but it would also alleviate significant safety concerns. The channel is rated by the US Coast Guard as one of the most dangerous in the nation. Currently, the Matagorda Ship Channel is the shallowest and narrowest “deep draft” channel in the U.S. and no improvements to the channel have been made since its construction in 1966.
- The Matagorda Ship Channel serves as a gateway to world markets for the Texas mid-coast region. The port plays a vital role in supporting Texas chemical manufacturing industries and in building a stable economic foundation for Calhoun County. Primary cargo loads handled at the port include chemicals, petrochemicals, crude oil, agricultural fertilizer and much more. A key part of this mix also includes very high-value chemicals produced by area industries and sold for export to markets around the world. The Channel Improvement Project will provide additional capacity to support important increased domestic energy production.

- The Army Corps is currently preparing a Post Authorization Change Report (PACR) and SEIS to document the changes in project costs. The PACR is scheduled to be completed by May 2026.
- In Section 1223 of WRDA 2024, Congress stressed the importance of improving the Matagorda Ship Channel and directed that the improvements be expedited to overcome the significant delays the project has faced.
- It is critical that the additional authorization is included in WRDA 2026 to not further delay implementation of this much needed project. I strongly encourage the Committee to consider the need to include the additional authorization to address the Section 902 Cost Limit as part of the House version of WRDA 2026.