

AMENDMENT TO
RULES COMMITTEE PRINT 119–33
OFFERED BY MR. KELLY OF MISSISSIPPI

Strike title XXXVI and insert the following:

1 **TITLE XXXVI—SHIPS FOR**
2 **AMERICA**

3 **SEC. 3601. SHORT TITLE.**

4 This title may be cited as the “Shipbuilding and Har-
5 bor Infrastructure for Prosperity and Security for Amer-
6 ica Act of 2026” or the “SHIPS for America Act of
7 2026”.

8 **SEC. 3602. FINDINGS.**

9 Congress finds the following:

10 (1) Strategic sealift, made up of Government
11 and commercial vessels and mariners, is a critical
12 capability for executing the maritime defense strat-
13 egy and the wartime and peacetime economy of the
14 United States.

15 (2) Ensuring a modern and ready capability
16 will require significant investment, policy
17 prioritization, and the innovation of the people of the
18 United States.

1 (3) The worldwide ocean economy is worth be-
2 tween \$3,000,000,000,000 and \$6,000,000,000,000,
3 according to the United Nations Conference on
4 Trade and Development. Yet, vessels of the United
5 States carry less than 2 percent of United States
6 international commercial cargoes by weight.

7 (4) The United States has fewer than 200
8 oceangoing vessels of the United States, of which
9 only approximately 80 vessels participate in inter-
10 national commerce, compared with more than 5,500
11 Chinese documented vessels.

12 (5) Bracketed by the Atlantic, Pacific, and Arc-
13 tic oceans, the prosperity and security of the United
14 States has always been tied to its position as a mari-
15 time Nation. Throughout human history, the
16 strength of maritime nations has been directly tied
17 to the strength of their maritime industry. The
18 United States won two world wars on the back of a
19 strong maritime industry.

20 (6) Decades of apathy by the United States
21 Government has harmed our strategically important
22 maritime industry. Our weakened shipbuilding ca-
23 pacity, undersized maritime workforce, and shrink-
24 ing fleet of shipping vessels means the United States
25 relies on other nations to conduct international com-

1 merce and lacks the strategic sealift to support the
2 United States military during wartime.

3 (7) Today, there are just 20 shipbuilders in the
4 United States capable of building oceangoing ves-
5 sels—down from more than 80 at the end of the
6 Second World War.

7 (8) During World War II, the United States
8 Merchant Marine powered the Allies to victory with
9 more than 10,000 oceangoing vessels of the United
10 States. Today there are just 80 vessels of the United
11 States engaged in international trade.

12 (9) The People’s Republic of China has made
13 investments in the maritime industry a strategic pri-
14 ority over the past 20 years.

15 (10) As of 2023, shipyards in the United States
16 had fewer than 5 shipbuilding orders for oceangoing
17 vessels, while shipyards in the People’s Republic of
18 China had more than 1,700 orders, according to
19 BRS Group. According to the Office of Naval Intel-
20 ligence, the People’s Republic of China became the
21 world’s top shipbuilding and shipping nation, boast-
22 ing 230 times more shipbuilding capacity than the
23 United States.

24 (11) With just 12,000 United States merchant
25 mariners operating oceangoing vessels, the United

1 States may not have a sufficient number of mariners
2 to fully power the strategic sealift vessels necessary
3 in a future prolonged conflict.

4 (12) The American Civil Society of Engineers
5 assesses that the United States has a national main-
6 tenance backlog amounting to \$125,000,000,000 for
7 bridges, \$163,000,000,000 for ports, and
8 \$6,800,000,000 for inland waterways.

9 (13) The maritime industry is inherently inter-
10 national. Eighty percent of United States goods are
11 imported by sea, of which 98 percent come into the
12 United States on foreign documented vessels. Only 2
13 percent of such goods come into the United States
14 on vessels of the United States, leaving the United
15 States economy disproportionately dependent on
16 oceangoing trade controlled by often adversarial for-
17 eign nations. The Nation's ability to provide services
18 in both international and interstate commerce is
19 critical to national and economic defense.

20 (14) Since November 2023, vessels engaged in
21 international commerce have been threatened by the
22 Houthis, which has threatened global supply chains,
23 increased costs, and required naval force protection
24 operations in the Red Sea through the United

1 States-led Operation Prosperity Guardian that
2 formed in December 2023.

3 (15) A fleet of commercial shipping vessels of
4 the United States, crewed with citizen mariners, that
5 is competitive in domestic and international trade
6 enhances the United States military's readiness, al-
7 lows the United States to more strategically compete
8 with China, and underwrites the security and sur-
9 vival of the United States in times of crisis and war.

10 **SEC. 3603. SENSE OF CONGRESS.**

11 It is the sense of Congress that the United States
12 must—

13 (1) create a more favorable domestic and global
14 maritime environment for vessels of the United
15 States engaged in international commerce, ship-
16 building, ship repair, maritime logistics, the mari-
17 time workforce, and naval power, contributing to as-
18 sured access to the world's oceans free from coercion
19 from strategic competitors and asymmetric adver-
20 saries;

21 (2) increase domestic shipbuilding and ship re-
22 pair capacity, with programs and policies that enable
23 the growth of United States shipyards and the mari-
24 time industrial base, enhance military sealift capac-

1 ity, expand the United States maritime workforce,
2 and enhance national security;

3 (3) revitalize the international fleet of vessels of
4 the United States and foster a comparative advantage for the United States through targeted incentives and regulatory reforms to make the fleet competitive with international carriers and to gain a sustainable share of the global maritime market in order to bolster supply chains, strengthen economic security, and lower prices, while protecting the
10 United States economy from economic coercion;

12 (4) take all measures necessary to ensure that
13 sufficient military, civil, and commercial resources
14 will be available with assured access to meet defense
15 deployment needs and essential economic activities
16 for our Nation in times of crisis, war, or peace;

17 (5) recognize that a vibrant commercial ship-
18 building industry provides supply chain resiliencies
19 and creates economies of scale that improve military,
20 Coast Guard, and Government shipbuilding and support military operations through strategic sealift to
21 defend the freedom of the seas;

23 (6) nurture the comparative advantages of the
24 United States to innovate to better compete in the
25 global maritime marketplace, grow the maritime

1 workforce, and create a favorable environment for
2 investments to build modern maritime facilities and
3 world-class academic institutions;

4 (7) ensure better coordination between Federal
5 agencies, including the Maritime Administration, the
6 United States Coast Guard, the Department of De-
7 fense, the Federal Maritime Commission, and all
8 other Federal agencies with a maritime nexus, to
9 protect, regulate, and support the United States
10 maritime industry, resolve disputes, and implement
11 a whole-of-Government national maritime strategy;

12 (8) recognize that, while a strong Navy is the
13 surest guarantee of peace, building the Navy, sus-
14 taining the Navy, and supplying the Navy is founded
15 on a robust commercial industrial base;

16 (9) establish reliable long-term demand signals
17 for, and investments in, oceangoing commercial ves-
18 sels that are built in the United States, documented
19 under the laws of the United States, and crewed by
20 United States mariners;

21 (10) evaluate past and present maritime efforts
22 to take actions to revitalize the United States mari-
23 time industry;

24 (11) strengthen the United States intercoastal
25 and domestic trade fleet, which is the foundation

1 upon which a revitalized United States-documented
2 shipping and domestic shipbuilding industry will be
3 built;

4 (12) recognize the important role that the sup-
5 port craft, passenger, and fishing vessel fleet play in
6 the United States maritime industry;

7 (13) encourage the shipping of commercial
8 cargo on vessels of the United States, with the aim
9 of growing the size and carrying capacity of the
10 international fleet of vessels of the United States;

11 (14) grow the shipping capacity of vessels of
12 the United States and guarantee United States Gov-
13 ernment cargo during peacetime;

14 (15) develop a whole-of-Government effort to
15 expand, develop, and protect the maritime work-
16 force;

17 (16) recognize the need for more workers in the
18 maritime sector and stimulate growth in the United
19 States maritime and shipbuilding industries, includ-
20 ing by increasing access to early maritime education,
21 commissioning national marketing campaigns to
22 demonstrate how United States shipbuilding, United
23 States-documented shipping, and maritime workers
24 are critical to national security, and implementing
25 workforce accelerator programs;

1 (17) remove barriers to training mariners, in-
2 cluding reevaluating Coast Guard training require-
3 ments regarding faculty credentials, instructional fa-
4 cility designs, sea time requirements, and other iden-
5 tified barriers, consistent with international treaty
6 obligations;

7 (18) expand and nurture a robust mariner
8 workforce that enhances the national security and
9 strategic sealift readiness of the United States by in-
10 creasing the number of United States mariners and
11 improving existing pathways and establishing new
12 pathways for new, current, and former merchant
13 mariners to go to sea;

14 (19) recognize that the United States Merchant
15 Marine Academy and our State maritime academies
16 are critical to training the next generation of li-
17 censed officers and engineers on vessels of the
18 United States;

19 (20) invest and innovate in domestic ship-
20 building, ship repair, and the shipping capabilities
21 and capacity of vessels of the United States to ad-
22 vance the power and influence of the maritime in-
23 dustry of the United States;

24 (21) drive multi-stakeholder research, develop-
25 ment, assessment, and deployment of emerging ma-

1 rine technologies and best practices related to the
2 maritime transportation system to ensure United
3 States leadership in next-generation shipbuilding,
4 ship repair, and maritime logistics;

5 (22) drive modern business and manufacturing
6 approaches, such as innovative maritime logistics,
7 clean fuels, and advanced nuclear energy, human-
8 machine teaming, additive manufacturing, and other
9 advanced technologies;

10 (23) review and update regulations governing
11 vessel design and engineering, vessel and facility op-
12 eration, and merchant mariner credentialing, in
13 order to revitalize the United States maritime indus-
14 try;

15 (24) seek mutually beneficial relationships with
16 treaty allies and strategic partners to grow the do-
17 mestic shipping and shipbuilding industries of the
18 United States and to share the burden of providing
19 freedom of navigation on the high seas, while de-
20 risking the United States maritime domain from the
21 People's Republic of China, foreign countries of con-
22 cern, and asymmetric or emerging maritime threats;

23 (25) harden critical maritime infrastructure and
24 networks, and incrementally replace infrastructure

1 built by foreign adversaries with domestic-built and
2 allied-built infrastructure; and

3 (26) promote the values of the United States
4 for freedom of the seas, worker safety and quality of
5 life, environmental stewardship, and the resilience of
6 our oceans, seas, and inland waterways.

7 **SEC. 3604. DEFINITIONS.**

8 In this title:

9 (1) The term “appropriate committees of Con-
10 gress” means—

11 (A) the Committee on Armed Services, the
12 Committee on Commerce, Science, and Trans-
13 portation, and the Committee on Appropria-
14 tions of the Senate; and

15 (B) the Committee on Armed Services, the
16 Committee on Transportation and Infrastruc-
17 ture, and the Committee on Appropriations of
18 the House of Representatives.

19 (2) The term “domestic commerce” means the
20 transportation of goods or passengers between places
21 in the United States.

22 (3) The term “foreign commerce” means—

23 (A) commerce or trade between the United
24 States, its territories or possessions, or the Dis-
25 trict of Columbia, and a foreign country; and

1 (B) commerce or trade between foreign
2 countries.

3 (4) The term “foreign country of concern”
4 means—

5 (A) a country that is a covered nation (as
6 defined in section 4872(d) of title 10, United
7 States Code); and

8 (B) any country that the Maritime Admin-
9 istrator, in consultation with the Secretary of
10 Defense, the Secretary of State, the Director of
11 National Intelligence, and the Chair of the Fed-
12 eral Maritime Commission, determines to be en-
13 gaged in conduct that is detrimental to the na-
14 tional security or foreign policy of the United
15 States.

16 (5) The term “foreign entity”—

17 (A) means—

18 (i) a government of a foreign country
19 or a foreign political party, as those terms
20 are defined in section 1 of the Foreign
21 Agents Registration Act of 1938, as
22 amended (22 U.S.C. 611);

23 (ii) a natural person who is not a law-
24 ful permanent resident of the United
25 States, a citizen of the United States, or

1 any other protected individual (as such
2 term is defined in section 274B(a)(3) of
3 the Immigration and Nationality Act (8
4 U.S.C. 1324b(a)(3))); or

5 (iii) a partnership, association, cor-
6 poration, organization, or other combina-
7 tion of persons organized under the laws of
8 or having its principal place of business in
9 a foreign country; and

10 (B) includes—

11 (i) any person (including an owner or
12 operator of a vessel) owned by, controlled
13 by, or subject to the direction of an entity
14 listed in subparagraph (A);

15 (ii) any person, wherever located, who
16 acts as an agent, representative, or em-
17 ployee of an entity listed in subparagraph
18 (A);

19 (iii) any person who acts in any other
20 capacity at the order, request, or under the
21 direction or control, of an entity listed in
22 subparagraph (A), or of a person whose
23 activities are directly or indirectly super-
24 vised, directed, controlled, financed, or

1 subsidized in whole or in major part by an
2 entity listed in subparagraph (A);

3 (iv) any person who directly or indi-
4 rectly through any contract, arrangement,
5 understanding, relationship, or otherwise,
6 owns 25 percent or more of the equity in-
7 terests of an entity listed in subparagraph
8 (A);

9 (v) any person with significant re-
10 sponsibility to control, manage, or direct
11 an entity listed in subparagraph (A);

12 (vi) any person, wherever located, who
13 is a citizen or resident of a country con-
14 trolled by an entity listed in subparagraph
15 (A); or

16 (vii) any corporation, partnership, as-
17 sociation, or other organization organized
18 under the laws of a country controlled by
19 an entity listed in subparagraph (A).

20 (6) The term “foreign entity of concern” means
21 any foreign entity that is—

22 (A) designated as a foreign terrorist orga-
23 nization by the Secretary of State under section
24 219 of the Immigration and Nationality Act (8
25 U.S.C. 1189);

1 (B) included on the list of specially des-
2 ignated nationals and blocked persons main-
3 tained by the Office of Foreign Assets Control
4 of the Department of the Treasury;

5 (C) owned by, controlled by, or subject to
6 the jurisdiction or direction of a government of
7 a foreign country of concern;

8 (D) alleged by the Attorney General to
9 have been involved in activities for which a con-
10 viction was obtained under—

11 (i) chapter 37 of title 18, United
12 States Code (commonly known as the “Es-
13 pionage Act”) (18 U.S.C. 792 et seq.);

14 (ii) section 951 or 1030 of title 18,
15 United States Code;

16 (iii) chapter 90 of title 18, United
17 States Code (commonly known as the
18 “Economic Espionage Act of 1996”);

19 (iv) the Arms Export Control Act (22
20 U.S.C. 2751 et seq.);

21 (v) section 224, 225, 226, 227, or 236
22 of the Atomic Energy Act of 1954 (42
23 U.S.C. 2274, 2275, 2276, 2277, and
24 2284);

1 (vi) the Export Control Reform Act of
2 2018 (50 U.S.C. 4801 et seq.); or

3 (vii) the International Emergency
4 Economic Powers Act (50 U.S.C. 1701 et
5 seq.);

6 (E) designated by the Federal Maritime
7 Commission as a controlled carrier under chap-
8 ter 407 of title 46, United States Code;

9 (F) found by the Federal Maritime Com-
10 mission to be practicing unfavorable conditions
11 in foreign trade under chapter 421 or 423 of
12 title 46, United States Code; or

13 (G) determined by the Maritime Adminis-
14 trator, in consultation with the Secretary of De-
15 fense, the Secretary of State, the Director of
16 National Intelligence, and the Chair of the Fed-
17 eral Maritime Commission, to be engaged in un-
18 authorized conduct that is detrimental to the
19 national security or foreign policy of the United
20 States.

21 (7) The term “vessel of the United States” has
22 the meaning given that term in section 116 of title
23 46, United States Code.

1 **Subtitle A—Oversight and**
2 **Accountability**

3 **SEC. 3611. MARITIME SECURITY ADVISOR; MARITIME SECU-**
4 **RITY BOARD.**

5 (a) AMENDMENTS.—Chapter 504 of part A of sub-
6 title V of title 46, United States Code, is amended—

7 (1) by striking the chapter heading and insert-
8 ing the following: “**OVERSIGHT AND AC-**
9 **COUNTABILITY**”;

10 (2) by redesignating section 50401 as section
11 50403; and

12 (3) by inserting before section 50402, the fol-
13 lowing:

14 **“§ 50401. Maritime Security Advisor; Maritime Secu-**
15 **urity Board**

16 “(a) MARITIME SECURITY ADVISOR.—

17 “(1) IN GENERAL.—Not later than 60 days
18 after the date of enactment of this section, the
19 President shall appoint a Special Advisor to the
20 President (to be known as the ‘Maritime Security
21 Advisor’) for coordinating national maritime affairs
22 and policy, including developing, updating, and im-
23 plementing the National Maritime Strategy as re-
24 quired under section 50114 of this title.

1 “(2) DUTIES.—The Maritime Security Advisor
2 appointed under paragraph (1) shall serve as the
3 Chair of the Maritime Security Board, shall be the
4 principal advisor to the President on all issues re-
5 lated to the maritime industry, shipbuilding, and
6 ship repair, and shall be responsible for developing,
7 updating, and implementing the National Maritime
8 Strategy under section 50114 of this title within and
9 across the Federal Government.

10 “(3) OFFICE OF THE MARITIME SECURITY AD-
11 VISOR.—

12 “(A) IN GENERAL.—There is established in
13 the Executive Office of the President, an Office
14 of the Maritime Security Advisor. The Maritime
15 Security Advisor described in this subsection
16 shall be the head of such Office.

17 “(B) EMPLOYEES; CONTRACTS.—In car-
18 rying out the functions under this section, the
19 Maritime Security Advisor is authorized to—

20 “(i) appoint such officers and employ-
21 ees as the Maritime Security Advisor may
22 deem necessary to perform the functions
23 now or hereafter vested in the Maritime
24 Security Advisor and to prescribe their du-
25 ties; and

1 “(ii) enter into contracts and other
2 arrangements for studies, analyses, and
3 other services with public agencies and
4 with private persons, organizations, or in-
5 stitutions, and make such payments as the
6 Maritime Security Advisor deems necessary
7 to carry out the provisions of this section.

8 “(b) MARITIME SECURITY BOARD.—Not later than
9 90 days after the date of enactment of this section, the
10 President shall establish a board, to be known as the ‘Mar-
11 itime Security Board’ (in this section referred to as the
12 ‘Board’).

13 “(1) COMPOSITION.—

14 “(A) IN GENERAL.—The Board shall be
15 comprised of the following individuals and rep-
16 resentatives:

17 “(i) The Maritime Security Advisor
18 described in subsection (a).

19 “(ii) The Maritime Administrator.

20 “(iii) The Commandant of the Coast
21 Guard.

22 “(iv) The Secretary of the Navy.

23 “(v) The Commander of the United
24 States Transportation Command.

1 “(vi) The Chair of the Federal Mari-
2 time Commission.

3 “(vii) The Assistant Secretary of the
4 Army for Civil Works.

5 “(viii) The chief United States dele-
6 gate to the International Maritime Organi-
7 zation.

8 “(ix) The Under Secretary of Com-
9 merce for Oceans and Atmosphere.

10 “(x) The Commissioner for Customs
11 and Border Protection.

12 “(xi) The Director of the Office of
13 Management and Budget, or a designee.

14 “(xii) The Secretary of Transpor-
15 tation, or a designee.

16 “(xiii) The Secretary of Homeland Se-
17 curity, or a designee.

18 “(xiv) The Secretary of State, or a
19 designee.

20 “(xv) The Secretary of Labor, or a
21 designee.

22 “(xvi) The Secretary of Commerce, or
23 a designee.

24 “(xvii) The Secretary of the Treasury,
25 or a designee.

1 “(xviii) The Administrator of the En-
2 vironmental Protection Agency, or a des-
3 ignee.

4 “(xix) From the Department of De-
5 fense—

6 “(I) the Secretary of Defense, or
7 a designee;

8 “(II) The Commander of the
9 Military Sealift Command.

10 “(III) The Commander of Naval
11 Sea Systems Command.

12 “(IV) a representative of the
13 Army, as appointed by the Secretary
14 of Defense;

15 “(V) a representative of the Air
16 Force, as appointed by the Secretary
17 of Defense; and

18 “(VI) a representative of the
19 Navy, as appointed by the Secretary
20 of Defense.

21 “(B) NONVOTING MEMBERS.—The individ-
22 uals and representatives listed in clauses (xi)
23 through (xxi) shall be nonvoting members.

24 “(C) CHAIR.—The Maritime Security Ad-
25 visor shall serve as the Chair of the Board.

1 “(2) DUTIES.—Consistent with the National
2 Maritime Strategy under section 50114 of this title,
3 the Board shall carry out the following duties:

4 “(A) Supporting the development of the
5 marine transportation system of the United
6 States, including—

7 “(i) assessing the adequacy of the ma-
8 rine transportation system (including
9 ports, waterways, channels, and their inter-
10 modal connections);

11 “(ii) promoting the integration of the
12 marine transportation system with other
13 modes of transportation and other uses of
14 the marine environment; and

15 “(iii) coordinating, improving the co-
16 ordination of, and making recommenda-
17 tions with regard to Federal policies that
18 impact the marine transportation system.

19 “(B) Establishing policy priorities relating
20 to, and conducting independent oversight over,
21 the financial assistance programs under part C
22 of subtitle V of this title, including—

23 “(i) not later than 1 year after the
24 date of enactment of the SHIPS for Amer-
25 ica Act of 2026 and annually thereafter,

1 establishing targets for the number, type,
2 and requirements of vessels to be included
3 in each of—

4 “(I) the Maritime Security Fleet
5 (consistent with the most recent Mo-
6 bility Capability Requirements Study
7 produced by United States Transpor-
8 tation Command);

9 “(II) the Cable Security Fleet;

10 “(III) the Tanker Security Fleet
11 (consistent with the most recent Mo-
12 bility Capability Requirements Study
13 produced by United States Transpor-
14 tation Command);

15 “(IV) the Strategic Commercial
16 Fleet; and

17 “(V) the Shipbuilding Financial
18 Incentives Program;

19 “(ii) submitting annual recommenda-
20 tions to the appropriate committees of
21 Congress for any needed changes in the
22 authorized number of vessels eligible to
23 participate in the programs under part C
24 of subtitle V of this title; and

1 “(iii) conducting oversight of the ad-
2 ministration of such financial assistance
3 programs to ensure such programs support
4 the strategic sealift objectives and policy of
5 the United States, as established in section
6 59101 of this title.

7 “(C) Supporting the Maritime Adminis-
8 trator in all efforts to conduct independent
9 oversight of passenger and cargo preference re-
10 quirements and supporting efforts to enable
11 cargo to be carried on vessels of the United
12 States, including—

13 “(i) conducting oversight and coordi-
14 nating interagency efforts to comply with
15 cargo preference requirements established
16 under chapter 553 of this title and section
17 2631 of title 10;

18 “(ii) independently verifying that all
19 Federal agencies follow the requirements
20 for cargoes procured, furnished, or fi-
21 nanced by the United States Government
22 under section 55305 of this title, and noti-
23 fying the appropriate committees of Con-
24 gress of any identified violations of the re-
25 quirements of such section;

1 “(iii) conducting outreach among non-
2 governmental stakeholders, including pri-
3 vate industry, to encourage more cargo to
4 be moved on vessels of the United States;

5 “(iv) developing recommendations for
6 regulations to be issued by Federal agen-
7 cies to preference the movement of cargo
8 on vessels of the United States; and

9 “(v) submitting recommendations to
10 the appropriate committees of Congress for
11 changes to laws relating to passenger and
12 cargo preferences for the purpose of estab-
13 lishing a more robust fleet of vessels of the
14 United States.

15 “(D) Conducting independent oversight
16 and developing guidance and recommendations
17 related to the enforcement of the requirements
18 of chapters 121 and 551 of this title.

19 “(E) Coordinating national efforts to de-
20 velop a robust maritime workforce that en-
21 hances the national security and strategic sea-
22 lift readiness of the United States, including—

23 “(i) coordinating and conducting over-
24 sight of interagency efforts and partner-
25 ships with the maritime industry and

1 qualified labor organizations to recruit,
2 train, and retain qualified licensed and un-
3 licensed merchant mariners; and

4 “(ii) coordinating and conducting
5 oversight of interagency efforts and part-
6 nerships with the shipbuilding industry to
7 recruit, train, and retain qualified workers
8 in the shipbuilding industry of the United
9 States.

10 “(F) Establishing national priorities for re-
11 search and development of next-generation tech-
12 nologies to enhance United States leadership in
13 the shipbuilding and maritime industries, in-
14 cluding through the Center for Maritime Inno-
15 vation established under section 50307.

16 “(G) Coordinating efforts to protect vessels
17 of the United States operating in international
18 or domestic commerce from physical and cyber-
19 security threats.

20 “(H) Conducting oversight of the use of
21 funds from the Maritime Security Trust Fund
22 established under section 50301(b) of this title,
23 and making recommendations to Congress for
24 expenditures from the Trust Fund.

1 “(I) Conducting studies on subjects related
2 to the maritime industry and international ship-
3 ping, and undertaking other efforts related to
4 strengthening the maritime security of the
5 United States.

6 “(J) Carrying out other duties, as assigned
7 by the President in consultation with the Mari-
8 time Security Advisor, related to the maritime
9 industry, shipbuilding, ship repair, strategic
10 sealift, and the marine transportation system of
11 the United States.

12 “(3) DELEGATION.—The Board may task agen-
13 cies who are represented by individuals on the Board
14 (as described under paragraph (1)(A)) to carry out
15 any duties of the Board.

16 “(4) MEETINGS.—The Board shall meet not
17 less frequently than quarterly.

18 “(5) STAFF.—The Board may hire staff to sup-
19 port its activities.

20 “(c) REPORT TO CONGRESS.—

21 “(1) IN GENERAL.—Not later than 180 days
22 after the President establishes the Maritime Security
23 Board under this section, and annually thereafter,
24 the Board shall submit a report to the appropriate
25 committees of Congress describing—

1 “(A) the actions that the Board has taken
2 to carry out the duties required of the Board
3 under subsection (b)(2); and

4 “(B) a list of recommended actions that
5 the Board recommends Congress take to en-
6 hance the strength of the United States mari-
7 time industry and support the economic and na-
8 tional security needs of the United States;.

9 “(2) APPROPRIATE COMMITTEES OF CON-
10 GRESS.—In this section, the term ‘appropriate com-
11 mittees of Congress’ means—

12 “(A) the Committees on Armed Services of
13 the House of Representatives and the Senate;

14 “(B) the Committee on Transportation
15 and Infrastructure of the House of Representa-
16 tives; and

17 “(C) the Committee on Commerce,
18 Science, and Transportation of the Senate.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 for chapter 504 of subtitle V of title 46, United States
21 Code, is amended to read as follows:

 “50401. Maritime Security Advisor; Maritime Security Board.

 “50402. Maritime Transportation System National Advisory Committee.

 “50403. United States Committee on the Marine Transportation System.”.

22 (c) NATIONAL MARITIME STRATEGY.—Section
23 50114 of title 46, United States Code, is amended—

1 (1) by striking subsection (a), and inserting the
2 following:

3 “(a) IN GENERAL.—

4 “(1) IN GENERAL.—Subject to paragraph (2),
5 the Maritime Security Advisor, in consultation with
6 the Maritime Security Board, shall develop a Na-
7 tional Maritime Strategy and submit that National
8 Maritime Strategy to the appropriate committees of
9 Congress (as that term is defined in section 3604 of
10 the SHIPS for America Act of 2026).

11 “(2) TRANSITION.—Notwithstanding paragraph
12 (1), if a national maritime strategy has been devel-
13 oped and submitted in accordance with this section,
14 as in effect on the day before the date of enactment
15 of the SHIPS for America Act of 2026, in the 1-
16 year period before such date of enactment, the Mari-
17 time Security Advisor shall implement and update
18 that national maritime strategy and shall not de-
19 velop a new national maritime strategy.”; and

20 (2) by striking subsections (c) and (d) and in-
21 serting the following:

22 “(c) IMPLEMENTATION.—Upon the release of a strat-
23 egy under this section, the Maritime Security Advisor, in
24 consultation with the Maritime Security Board, shall be

1 responsible for implementing the contents and rec-
2 ommendations of the strategy.

3 “(d) UPDATE.—The Maritime Security Advisor, in
4 coordination with the Maritime Security Board, shall sub-
5 mit to the appropriate committees of Congress (as that
6 term is defined in section 3604 of the SHIPS for America
7 Act of 2026) an update to the strategy developed under
8 subsection (a) not less often than every 5 years.

9 “(e) PUBLIC AVAILABILITY; IMPLEMENTATION
10 PLAN.—Not later than 6 months after the submission of
11 a strategy or update under subsection (a), the Maritime
12 Security Advisor, in consultation with the Maritime Secu-
13 rity Board, shall make publicly available on an appropriate
14 website each strategy or updated strategy and an imple-
15 mentation plan for such strategy or update.”.

16 **SEC. 3612. MARITIME TRANSPORTATION SYSTEM NATIONAL**
17 **ADVISORY COMMITTEE.**

18 Section 50402 is amended—

19 (1) in subsection (b), by striking “Secretary of
20 Transportation” and inserting “Maritime Security
21 Advisor and Maritime Security Board”; and

22 (2) in subsection (c)—

23 (A) in paragraph (1), by striking “by the
24 Secretary of Transportation”;

1 (B) by striking paragraph (3) and insert-
2 ing the following:

3 “(3) REPRESENTATION.—Members of the Com-
4 mittee shall be appointed as follows:

5 “(A) The Maritime Security Advisor shall
6 appoint the following members of the Com-
7 mittee:

8 “(i) At least one member to represent
9 the Environmental Protection Agency.

10 “(ii) At least one member to represent
11 the Department of Commerce.

12 “(iii) At least one member to rep-
13 resent the Corps of Engineers.

14 “(iv) At least one member to rep-
15 resent the Coast Guard.

16 “(v) At least one member to represent
17 Customs and Border Protection.

18 “(vi) At least one member to rep-
19 resent the Maritime Administration.

20 “(vii) At least one member to rep-
21 resent the Department of Agriculture.

22 “(viii) At least one member to rep-
23 resent the State Department.

1 “(ix) At least one member to rep-
2 resent State and local governmental enti-
3 ties.

4 “(B) Additional members shall represent
5 private sector entities that reflect a cross-sec-
6 tion of maritime industries, including
7 credentialed United States merchant mariners,
8 port and water stakeholders, academia, and
9 labor, of whom—

10 “(i) 3 shall be appointed by the ma-
11 jority leader of the Senate;

12 “(ii) 3 shall be appointed by the mi-
13 nority leader of the Senate;

14 “(iii) 3 shall be appointed by the
15 Speaker of the House of Representatives;
16 and

17 “(iv) 3 shall be appointed by the mi-
18 nority leader of the House of Representa-
19 tives.

20 “(C) The Maritime Security Advisor may
21 appoint additional members of the Committee,
22 including additional representatives from the
23 United States Merchant Marine Academy, State
24 maritime academies, or other Federal agencies,
25 as the Secretary considers appropriate.”; and

1 (C) in paragraph (4), by redesignating
2 subparagraphs (A) and (B) as clauses (i) and
3 (ii), respectively, and adjusting the margins ac-
4 cordingly;

5 (D) by redesignating paragraph (4) as sub-
6 paragraph (A) and adjusting the margins ac-
7 cordingly;

8 (E) by inserting after paragraph (3) the
9 following:

10 “(4) RESTRICTIONS ON MEMBERS.—”; and

11 (F) at the end of paragraph (4), as so des-
12 ignated, by inserting the following:

13 “(B) RESTRICTIONS ON ADDITIONAL MEM-
14 BERS.—Members appointed under this para-
15 graph that are not representing Federal agen-
16 cies—

17 “(i) shall remain on the Committee
18 for a term of 3 years from the date that
19 the member is appointed; and

20 “(ii) may not serve more than 2 con-
21 secutive terms.”.

22 **SEC. 3613. DIRECT HIRE AUTHORITY; AUTHORIZATION FOR**
23 **ADMINISTRATIVE EXPENSES.**

24 (a) MARITIME ADMINISTRATION DIRECT HIRE AU-
25 THORITY.—

1 (1) IN GENERAL.—The Maritime Administrator
2 may appoint, without regard to the provisions of sec-
3 tions 3309 through 3319 of title 5, United States
4 Code, candidates to positions in the competitive serv-
5 ice within the Maritime Administration for which—

6 (A) public notice has been given;

7 (B) the Administrator has determined that
8 a critical hiring need exists; and

9 (C) the Administrator has consulted with
10 the Director of the Office of Personnel Manage-
11 ment regarding—

12 (i) the positions for which the Admin-
13 istrator plans to recruit;

14 (ii) the quantity of candidates the Ad-
15 ministrator is seeking; and

16 (iii) the assessment and selection poli-
17 cies the Administrator plans to utilize.

18 (2) DEFINITION OF CRITICAL HIRING NEED.—
19 In this subsection, the term “critical hiring need”
20 means personnel necessary for the implementation of
21 this title and associated work.

22 (b) COAST GUARD DIRECT HIRE AUTHORITY.—

23 (1) IN GENERAL.—The Secretary of the depart-
24 ment in which the Coast Guard is operating may ap-
25 point, without regard to the provisions of sections

1 3309 through 3319 of title 5, United States Code,
2 candidates to positions in the competitive service
3 within offices under the Assistant Commandant for
4 Prevention Policy of the Coast Guard, for which—

5 (A) public notice has been given;

6 (B) the Secretary has determined that a
7 critical hiring need exists; and

8 (C) the Secretary has consulted with the
9 Director of the Office of Personnel Management
10 regarding—

11 (i) the positions for which the Sec-
12 retary plans to recruit;

13 (ii) the quantity of candidates the
14 Secretary is seeking; and

15 (iii) the assessment and selection poli-
16 cies the Secretary plans to utilize.

17 (2) DEFINITION OF CRITICAL HIRING NEED.—

18 In this subsection, the term “critical hiring need”
19 means personnel necessary for the implementation of
20 this title and associated work.

21 (c) COMPETITIVE SERVICE.—In this section, the
22 term “competitive service” has the meaning given the
23 term in section 2102 of title 5, United States Code.

1 **SEC. 3614. FEDERAL MARITIME COMMISSION REPORT ON**
2 **VESSELS OF THE UNITED STATES.**

3 (a) IN GENERAL.—The Federal Maritime Commis-
4 sion shall annually submit a report to the Maritime Secu-
5 rity Board and the appropriate committees of Congress
6 evaluating the competitiveness of vessels of the United
7 States in foreign commerce. The Maritime Security Board
8 shall utilize the findings of such report to inform the Na-
9 tional Maritime Strategy under section 50114 of title 46,
10 United States Code, and other activities of the Board.

11 (b) CONTENTS.—The report shall include—

12 (1) metrics concerning carriage of foreign com-
13 merce on vessels of the United States;

14 (2) information about the price parity of car-
15 riage of foreign commerce on vessels of the United
16 States versus foreign vessels (as defined in section
17 110 of title 46, United States Code) by market;

18 (3) identification of markets of opportunity for
19 the United States to compete in foreign commerce
20 where rates are in relative parity to vessels of the
21 United States;

22 (4) markets in which United States interests
23 paid above average rates for foreign commerce, in-
24 cluding with foreign and domestic carriers; and

25 (5) an assessment of the foreign vessel reg-
26 istries of peer competitor countries to determine—

1 (A) the roles of the governments of peer
2 competitor countries in their vessel registry
3 processes, including policy practices that may
4 provide a disadvantage to the United States;

5 (B) the sizes of the fleets of foreign vessels
6 registered with such countries, including how
7 many of such foreign vessels are domestically
8 built and how many are built in other countries;
9 and

10 (C) the price parity of vessels of the
11 United States, as compared to foreign vessels
12 registered with peer competitor countries that
13 are operating in global markets identified as a
14 priority by the Federal Maritime Commission.

15 **Subtitle B—Maritime Security**
16 **Trust Fund**

17 **SEC. 3621. MARITIME SECURITY TRUST FUND ESTAB-**
18 **LISHED.**

19 Section 50301 of title 46, United States Code, is
20 amended—

21 (1) by striking the section heading and insert-
22 ing “**Funds established**”;

23 (2) in subsection (e)—

24 (A) in paragraph (2), by redesignating
25 subparagraphs (A), (B), and (C), as clauses (i),

1 (ii), and (iii), respectively, and adjusting the
2 margins accordingly;

3 (B) by redesignating paragraphs (1), (2),
4 and (3), as subparagraphs (A), (B), and (C),
5 respectively, and adjusting the margins accord-
6 ingly;

7 (C) in subparagraph (A), as redesignated
8 by subparagraph (B), by striking “paragraph
9 (2)” and inserting “subparagraph (B)”;

10 (D) in subparagraph (B), as redesignated
11 by subparagraph (B), in the matter preceding
12 clause (i), by striking “Paragraph (1)” and in-
13 serting “Subparagraph (A)”;

14 (E) in subparagraph (C), as redesignated
15 by subparagraph (B), by striking “Paragraph
16 (1)” and inserting “Subparagraph (A)”;

17 (3) in subsection (f), by redesignating para-
18 graphs (1) through (4) as subparagraphs (A)
19 through (D), respectively, and adjusting the margins
20 accordingly;

21 (4) by redesignating subsections (b) through (g)
22 as paragraphs (2) through (7), respectively, and ad-
23 justing the margins accordingly;

1 (5) in subsection (a), by striking “IN GEN-
2 ERAL” and all that follows through “There is a” and
3 inserting the following:

4 “(a) VESSEL OPERATIONS REVOLVING FUND.—

5 “(1) IN GENERAL.—There is a”;

6 (6) in paragraph (4), by striking “subsection
7 (a)” and inserting “paragraph (1)”; and

8 (7) by adding at the end the following:

9 “(b) MARITIME SECURITY TRUST FUND.—

10 “(1) IN GENERAL.—There is a ‘Maritime Secu-
11 rity Trust Fund’ for use in carrying out programs
12 or activities associated with supporting the merchant
13 marine of the United States and the maritime indus-
14 trial base.

15 “(2) TOTAL BALANCE.—The total amount in
16 the Maritime Security Trust Fund at any time shall
17 not exceed \$20,000,000,000.

18 “(3) EXPENDITURES.—Amounts in the Mari-
19 time Security Trust Fund shall be authorized to be
20 appropriated out of the Maritime Security Trust
21 Fund as provided by in appropriations acts made
22 after the date of enactment of this Act.”.

1 **Subtitle C—Sealift Capability**

2 **SEC. 3631. SEALIFT CAPABILITY.**

3 (a) IN GENERAL.—Subtitle V of title 46, United
4 States Code, is amended by adding at the end the fol-
5 lowing:

6 **“PART H—STRATEGIC SEALIFT**

“Sec.

“59101. Objectives and policy.

“59102. Procurement, maintenance, and operation.

“59103. Sealift prioritization.

“59104. Report on privilege.

7 **“§ 59101. Objectives and policy**

8 “(a) OBJECTIVES.—It is necessary for the national
9 defense and economic security of the United States that
10 the United States have vessels of the United States capa-
11 ble of providing and supporting strategic sealift—

12 “(1) sufficient to meet surge defense deploy-
13 ment and essential economic activities for the United
14 States in times of crisis or war;

15 “(2) sufficient to respond unilaterally to na-
16 tional security threats in geographic areas not cov-
17 ered by alliance commitments and ensure economic
18 security resilience for United States trade; and

19 “(3) built, operated, and maintained during all
20 times, primarily in the United States to protect and
21 ensure national security resiliency and avoid foreign
22 coercion of critical supply chains.

1 “(b) POLICY.—It is the policy of the United States
2 to encourage and aid the development and maintenance
3 of vessels of the United States with strategic sealift capa-
4 bilities satisfying the objectives described in subsection
5 (a).

6 “(c) STRATEGY REQUIRED.—

7 “(1) IN GENERAL.—The Maritime Security
8 Board shall annually develop a strategy to leverage
9 the financial assistance programs established under
10 part C of this subtitle to expand the number of ves-
11 sels of the United States needed to accomplish the
12 objectives described under subsection (a).

13 “(2) STRATEGY COMPONENTS.—The strategy
14 developed by the Maritime Security Board shall in-
15 clude—

16 “(A) annual goals for the number of ves-
17 sels that will be brought into the fleet of vessels
18 of the United States capable of providing stra-
19 tegic sealift utilizing the Maritime Security
20 Fleet under chapter 531 of this title, the Cable
21 Security Fleet under chapter 532 of this title,
22 the Tanker Security Fleet under chapter 534 of
23 this title, the Strategic Commercial Fleet under
24 chapter 536 of this title, and the Shipbuilding
25 Financial Incentives program, consistent with

1 the most recent Mobility Capability Require-
2 ments Study produced by United States Trans-
3 portation Command; and

4 “(B) an assessment of domestic ship-
5 building capacity and a strategy to increase the
6 capacity of the domestic shipbuilding industry
7 utilizing the Shipbuilding Financial Incentives
8 program.

9 “(3) NATIONAL MARITIME STRATEGY.—The
10 strategy developed by the Maritime Security Board
11 under paragraph (1) shall be consistent with the Na-
12 tional Maritime Strategy developed under section
13 50114.

14 “(d) REPORT REQUIRED.—

15 “(1) IN GENERAL.—Upon completion, the Mari-
16 time Security Board shall transmit to the appro-
17 priate committees of Congress a summary of the
18 strategy developed under subsection (c), with a clas-
19 sified annex as necessary.

20 “(2) DEFINITION.—In this part, the term ‘ap-
21 propriate committees of Congress’ has the meaning
22 given that term in section 3604 of the SHIPS for
23 America Act of 2026.

1 **“§ 59102. Procurement, maintenance, and operation**

2 “(a) STATEMENT OF POLICY.—The Maritime Admin-
3 istrator, in coordination with the Secretary of Defense and
4 the Secretary of Homeland Security, shall build, acquire,
5 maintain, coordinate, support, and operate a sufficient
6 and privileged fleet of vessels of the United States with
7 commercial and military sealift capability.

8 “(b) SUPPLEMENTAL CAPABILITY.—In developing
9 sealift capability under this part, the Secretary of Trans-
10 portation and the Secretary of Defense shall continue to
11 support a sufficient Maritime Security Fleet under chap-
12 ter 531 of this title, a Cable Security Fleet under chapter
13 532 of this title, a Tanker Security Fleet under chapter
14 534 of this title, the Strategic Commercial Fleet under
15 chapter 536 of this title, a Military Sealift Command of
16 the Department of the Navy, and a Ready Reserve Force
17 component of the National Defense Reserve Fleet under
18 section 57100 of this title, to provide capacity and resil-
19 iency for unilateral United States strategic sealift in
20 peace, crisis, and war.

21 “(c) JUDICIAL REVIEW.—No court shall have juris-
22 diction to review decisions made by the Maritime Adminis-
23 trator, the Secretary of Defense, or the Secretary of
24 Homeland Security with respect to this section.

1 **“§ 59103. Sealift prioritization**

2 “(a) IN GENERAL.—In acquiring, maintaining, co-
3 ordinating, and supporting a fleet of vessels capable of
4 providing sealift capacity during wartime and crisis, the
5 Maritime Administrator, in coordination with the Sec-
6 retary of Defense, shall ensure the availability of vessels,
7 in the following order of priority:

8 “(1) Commercial vessels of the United States.

9 “(2) Vessels of the United States that are
10 owned and operated by the United States Govern-
11 ment.

12 “(3) Vessels of countries that are defense treaty
13 allies of the United States.

14 “(4) Vessels of countries that are strategic
15 partners of the United States.

16 “(b) JUDICIAL REVIEW.—No court shall have juris-
17 diction to review decisions made by the Maritime Adminis-
18 trator or the Secretary of Defense with respect to this sec-
19 tion.

20 **“§ 59104. Report on privilege**

21 “(a) IN GENERAL.—Not later than March 1, 2027,
22 the Secretary of Transportation, in coordination with the
23 Secretary of Commerce, the Chair of the Federal Maritime
24 Commission, and the Director of the Office of Manage-
25 ment and Budget, shall submit to the appropriate commit-
26 tees of Congress a report including ways to ensure vessels

1 of the United States operating in foreign commerce are
2 privileged in regulation, fees, insurance, and policy com-
3 pared to foreign vessels conducting trade with a United
4 States domiciled entity, while remaining consistent with
5 the international obligations of the United States.

6 “(b) CONTENTS.—In submitting the report under
7 subsection (a), the Secretary of Transportation shall in-
8 clude options for regulating trade with foreign vessels in
9 order to sustain and grow the Maritime Security Fleet
10 under chapter 531 of this title, the Cable Security Fleet
11 under chapter 532 of this title, the Tanker Security Fleet
12 under chapter 534 of this title, the Strategic Commercial
13 Fleet under chapter 536 of this title, and other vessels
14 of the United States operating in foreign commerce.”.

15 (b) CLERICAL AMENDMENT.—The table of chapters
16 for subtitle V of title 46, United States Code, is amended
17 by adding at the end the following:

“PART H—STRATEGIC SEALIFT”.

18 **SEC. 3632. NATIONAL FREIGHT STRATEGIC PLAN.**

19 Section 70102(b) of title 49, United States Code, is
20 amended—

21 (1) in paragraph (16), by striking “and” after
22 the semicolon;

23 (2) in paragraph (17), by striking the period at
24 the end and inserting “; and”; and

25 (3) by adding at the end the following:

1 “(18) consideration of United States strategic
2 sealift objectives and strategies established under
3 section 59101 of title 46; and

4 “(19) consideration of maritime networks in
5 multimodal freight corridors.”.

6 **SEC. 3633. FOREIGN SHIPPING PRACTICES; CONTROLLED**
7 **CARRIERS.**

8 (a) FOREIGN SHIPPING PRACTICES.—Section
9 42301(b) of title 46, United States Code, is amended—

10 (1) in paragraph (2), by inserting “or pas-
11 sengers” after “transportation of cargo”; and

12 (2) in paragraph (5), by inserting “or pas-
13 sengers” after “carriage of cargo”.

14 (b) CONTROLLED CARRIERS.—Chapter 407 of title
15 46, United States Code, is amended—

16 (1) in section 40701—

17 (A) in subsection (a)—

18 (i) in paragraph (1), by striking “or”
19 at the end;

20 (ii) in paragraph (2), by striking the
21 period at the end and inserting “; or”; and

22 (iii) by adding at the end the fol-
23 lowing:

1 “(3) arrange or provide passenger transpor-
2 tation at a fare that is below a just and reasonable
3 level.”;

4 (B) in subsection (b), by striking “rule, or
5 regulation” and inserting “rule, regulation, or
6 fare”;

7 (C) in subsection (c), by striking “rule, or
8 regulation” and inserting “rule, regulation, or
9 fare”; and

10 (D) in subsection (d), by striking “rule, or
11 regulation” and inserting “rule, regulation, or
12 fare”;

13 (2) in section 40702(b)—

14 (A) in the matter preceding paragraph (1),
15 by striking “rule, or regulation” and inserting
16 “rule, regulation, or fare”;

17 (B) in paragraph (1), by striking “rate or
18 charge” and inserting “rate, charge, or fare”;
19 and

20 (C) in paragraph (2), by striking “rule, or
21 regulation” and inserting “rule, regulation, or
22 fare”;

23 (3) in section 40703, by striking “a rate,
24 charge,” and inserting “a rate, fare, charge,”; and

25 (4) in section 40704—

1 (A) in subsection (a), by striking “rule, or
2 regulation” and inserting “rule, regulation, or
3 fare”;

4 (B) in subsection (b), by striking “rule, or
5 regulation” and inserting “rule, regulation, or
6 fare”;

7 (C) in subsection (c), by striking “rule, or
8 regulation” and inserting “rule, regulation, or
9 fare” each place the term appears;

10 (D) in subsection (d)—

11 (i) in paragraph (1), by striking “rule,
12 or regulation” and inserting “rule, regula-
13 tion, or fare” each place the term appears;
14 and

15 (ii) in paragraph (2), by striking
16 “rule, or regulation” and inserting “rule,
17 regulation, or fare” each place the term
18 appears; and

19 (E) in subsection (e), by striking “rule, or
20 regulation” and inserting “rule, regulation, or
21 fare” each place the term appears.

1 **Subtitle D—Vessels of the United**
2 **States in International Commerce**

3 **CHAPTER 1—STRATEGIC SEALIFT**
4 **PROGRAMS**

5 **SEC. 3641. FLEET TESTING AND BRIEFING REQUIREMENT.**

6 (a) TEST.—Not later than 180 days after the date
7 of enactment of this Act, the Commander of the United
8 States Transportation Command, in coordination with the
9 Secretary of the Navy and the Maritime Administrator,
10 shall devise a tabletop exercise to test the effective control
11 of the Maritime Security Fleet under chapter 531 of title
12 46, United States Code, and the Tanker Security Fleet
13 under chapter 534 of such title, in case of crisis or war.

14 (b) BRIEFING.—After completion of the tabletop ex-
15 ercise under subsection (a), the Commander shall submit
16 to the appropriate committees of Congress a briefing on
17 the results of such tabletop exercise.

18 (c) ANNUAL TESTING.—Beginning not later than 1
19 year after the briefing is submitted under subsection (b),
20 the Commander shall—

21 (1) carry out tabletop drills to test effective
22 control of the Maritime Security Fleet under chapter
23 531 of title 46, United States Code, and the Tanker
24 Security Fleet under chapter 534 of such title; and

1 (2) provide to the appropriate committees of
2 Congress a briefing after each such drill on the re-
3 sults of such drill.

4 **SEC. 3642. ASSESSMENT OF UNDERSEA CABLE REPAIR CON-**
5 **TINGENCIES.**

6 (a) IN GENERAL.—Not later than 180 days after the
7 date of enactment of this Act, the Secretary of Defense,
8 in coordination with the Maritime Administrator, the Fed-
9 eral Communications Commission, and other relevant
10 Federal agencies, shall submit to the appropriate commit-
11 tees of Congress an assessment on the ability and pre-
12 paredness of the USNS Zeus and the Cable Security Fleet
13 under chapter 532 of title 46, United States Code, to re-
14 pair transoceanic submarine fiber optic cables that may
15 be damaged or cut by adversaries.

16 (b) CONTENTS.—The assessment under subsection
17 (a) shall include—

18 (1) a description of preparedness to address a
19 situation in which the cables of partner countries in
20 both the Pacific and Atlantic Oceans are damaged
21 or severed at or around the same time;

22 (2) a determination as to how long it would
23 take for the Cable Security Fleet, in coordination
24 with partner countries, to repair such cables; and

1 (3) the options available to provide connectivity
2 in an emergency or crisis caused by, or related to,
3 the damaging or severing of such cables.

4 **SEC. 3643. SHIPBUILDING FINANCIAL INCENTIVES.**

5 (a) IN GENERAL.—Part C of subtitle V of title 46,
6 United States Code, is amended by inserting after chapter
7 537 the following:

8 **“CHAPTER 538—SHIPBUILDING**
9 **FINANCIAL INCENTIVES**

10 “(a) ESTABLISHMENT.—The Maritime Adminis-
11 trator shall establish a program that, in accordance with
12 the requirements of this section, provides Federal grant
13 assistance to covered entities to—

14 “(1) aid in the construction of a vessel that
15 shall be documented under the laws of the United
16 States; or

17 “(2) incentivize a qualified shipyard investment.

18 “(b) DEFINITIONS.—In this section:

19 “(1) APPROPRIATE COMMITTEES OF CON-
20 GRESS.—The term ‘appropriate committees of Con-
21 gress’ means the Committee on Commerce, Science,
22 and Transportation, the Committee on Armed Serv-
23 ices, and the Committee on Appropriations of the
24 Senate and the Committee on Armed Services, the
25 Committee on Transportation and Infrastructure,

1 and the Committee on Appropriations of the House
2 of Representatives.

3 “(2) COVERED ENTITY.—The term ‘covered en-
4 tity’ means—

5 “(A) any proposed vessel purchaser who is
6 a citizen of the United States; or

7 “(B) any shipyard of the United States
8 with the ability, experience, financial resources,
9 and other qualifications to construct or repair a
10 military vessel or a vessel to be used in the for-
11 eign commerce of the United States.

12 “(3) FOREIGN COMMERCE.—The term ‘foreign
13 commerce’ means—

14 “(A) commerce or trade between the
15 United States, its territories or possessions, or
16 the District of Columbia, and a foreign country;
17 and

18 “(B) commerce or trade between foreign
19 countries.

20 “(4) FOREIGN COUNTRY OF CONCERN; FOREIGN
21 ENTITY OF CONCERN.—The terms ‘foreign country
22 of concern’ and ‘foreign entity of concern’ have the
23 meanings given such terms in section 3604 of the
24 SHIPS for America Act of 2026.

1 “(5) QUALIFIED SHIPYARD INVESTMENT.—The
2 term ‘qualified shipyard investment’ means an in-
3 vestment to construct, modernize, or expand—

4 “(A) a shipyard of the United States that
5 constructs or repairs civilian or military vessels;
6 or

7 “(B) a manufacturing facility—

8 “(i) that is—

9 “(I) a component supplier;

10 “(II) a subcomponent supplier; or

11 “(III) a manufacturing equip-
12 ment supplier;

13 “(ii) that is based in the United
14 States; and

15 “(iii)(I) at which at least 50 percent
16 of the products produced will be sold to
17 shipyards of the United States or used to
18 construct vessels of the United States; or

19 “(II) at which the investment will
20 more than double the facility’s capacity to
21 produce products to be sold to shipyards of
22 the United States or used to construct ves-
23 sels of the United States, as determined by
24 the Administrator.

1 “(6) SHIPYARD OF THE UNITED STATES.—The
2 term ‘shipyard of the United States’ has the mean-
3 ing given that term in section 505 of the Merchant
4 Marine Act, 1936 (46 U.S.C. 53101 note).

5 “(c) PROCEDURE.—

6 “(1) APPLICATION.—A covered entity applying
7 for grant funding under this section shall submit an
8 application to the Maritime Administrator.

9 “(2) REQUIREMENTS.—In order for a covered
10 entity to qualify for a grant under this section, the
11 covered entity shall—

12 “(A) for grants related to construction of
13 a vessel of the United States as described in
14 subsection (a)(1)—

15 “(i) enter into an agreement with the
16 Maritime Administrator establishing that
17 the vessel that is constructed with Federal
18 financial assistance shall be, for a period of
19 not less than 10 years, documented under
20 the laws of the United States; and

21 “(ii) agree to carry out all construc-
22 tion in a shipyard of the United States as
23 the result of competitive bidding, after due
24 advertisement, with the right reserved by

1 the Administrator to disapprove any or all
2 bids;

3 “(B) for a grant related to qualified ship-
4 yard investments as described in subsection
5 (a)(2), use the award amounts for investments
6 in—

7 “(i) facilities or equipment related to
8 shipbuilding or ship repair; or

9 “(ii) maritime component suppliers
10 and subcomponent suppliers with over 50
11 percent maritime use in each such invest-
12 ment; and

13 “(C) make commitments to worker and
14 community investment, including through—

15 “(i) programs to expand employment
16 opportunity for economically disadvantaged
17 individuals; and

18 “(ii) securing commitments from re-
19 gional educational and training entities
20 and institutions of higher education to pro-
21 vide workforce training, including pro-
22 gramming for training and job placement
23 of economically disadvantaged individuals.

24 “(3) REVIEW OF APPLICATIONS.—

1 “(A) CONSIDERATIONS FOR REVIEW.—

2 With respect to the review by the Maritime Ad-
3 ministrators of an application submitted—

4 “(i) the Maritime Administrator may
5 not approve an application for construction
6 of a vessel as described in subsection
7 (a)(1) unless the Administrator—

8 “(I) determines that a vessel
9 funded through the program will aid
10 in the promotion and development of
11 foreign commerce;

12 “(II) determines that the vessel
13 purchaser applying for funding under
14 this section possesses the ability, expe-
15 rience, financial resources, and other
16 qualifications necessary for the oper-
17 ation and maintenance of the pro-
18 posed new vessel;

19 “(III) determines that the ship-
20 yard that will construct a vessel under
21 this section possesses the ability, expe-
22 rience, financial resources, equipment,
23 and other qualifications necessary to
24 properly to construct the proposed
25 vessel;

1 “(IV) confirms that any newly
2 constructed vessel has dedicated space
3 for workforce training programs iden-
4 tified by the Administrator; and

5 “(V) has notified the appropriate
6 committees of Congress not later than
7 15 days before making any award to
8 any covered entity;

9 “(ii) the Maritime Administrator may
10 not approve an application for qualified
11 shipyard investments as described in sub-
12 section (a)(2) unless the Administrator—

13 “(I) confirms that the covered
14 entity has received an incentive of-
15 fered by a governmental entity to a
16 covered entity for the purposes of sup-
17 porting a qualified shipyard invest-
18 ment within that jurisdiction;

19 “(II) ensures that the covered en-
20 tity has an executable plan to sustain
21 the facility without additional Federal
22 financial assistance under this sub-
23 section for the facility;

24 “(III) determines that the project
25 to which the application relates is in

1 the economic interests of the United
2 States; and

3 “(IV) receives detailed informa-
4 tion on—

5 “(aa) the customers, or cat-
6 egories of customers, which the
7 covered entity plans to serve;

8 “(bb) the type of expendi-
9 tures which the covered entity
10 plans to make; and

11 “(cc) the workforce positions
12 that the covered entity plans to
13 employ, including any required
14 recruitment, training, and hiring;
15 and

16 “(iii) the Maritime Administrator may
17 consider—

18 “(I) whether the covered entity
19 has previously received financial as-
20 sistance under this section;

21 “(II) the price for the construc-
22 tion or repair of a vessel that has
23 been negotiated between a shipyard
24 and proposed vessel purchaser, and

1 whether the negotiated price is fair
2 and reasonable;

3 “(III) whether the covered entity
4 commits to use equipment, materials,
5 and supplies that are produced in the
6 United States, and utilize, to the max-
7 imum extent practicable, subcontract-
8 ors and suppliers that are based in
9 the United States; and

10 “(IV) whether the covered entity
11 commits to utilizing new or emerging
12 technologies.

13 “(B) RECORDS.—The Maritime Adminis-
14 trator may request records and information
15 from the covered entity. The covered entity
16 shall provide the records and information re-
17 quested by the Administrator.

18 “(d) AWARD AMOUNTS.—

19 “(1) CONSTRUCTION OF A VESSEL OF THE
20 UNITED STATES.—

21 “(A) IN GENERAL.—For grant awards re-
22 lated to construction of a vessel of the United
23 States, as described in subsection (a)(1), the
24 Maritime Administrator shall determine the ap-

1 appropriate amount and funding for each finan-
2 cial assistance award made under this section.

3 “(B) DETERMINATION.—In making the
4 determination under subparagraph (A), the
5 Maritime Administrator shall consider the dif-
6 ference in the cost of constructing the proposed
7 vessel within the United States over the fair
8 and reasonable estimate of cost of the construc-
9 tion of that type of vessel if it were constructed
10 under similar plans and specifications in a for-
11 eign shipbuilding center that is deemed by the
12 Administrator to furnish a fair and representa-
13 tive example for the determination of the esti-
14 mated foreign cost of construction of vessels of
15 the type proposed to be constructed.

16 “(2) QUALIFIED SHIPYARD INVESTMENTS.—
17 For grant awards provided to incentivize qualified
18 shipyard investments as described in subsection
19 (a)(2), the Maritime Administrator shall determine
20 the appropriate amount for each financial assistance
21 award made to a covered entity to maximize private
22 sector investments and to expand shipyard and ship
23 building capacity of the United States.

24 “(3) USE OF FUNDS.—A covered entity that re-
25 ceives a financial assistance award under this section

1 may only use the financial assistance award amounts
2 to—

3 “(A)(i) finance the construction of a vessel
4 to be built in the United States and docu-
5 mented under the laws of the United States; or

6 “(ii) support site development, construc-
7 tion, and modernization for qualified shipyard
8 investments; and

9 “(B) support workforce development for a
10 shipyard or qualified shipyard investment.

11 “(e) APPLICATIONS FOR RECONSTRUCTION, CONDI-
12 TIONING, OR REPOWERING.—The Maritime Administrator
13 may consider an application as described in subsection
14 (a)(1), and award grants under this section, for the recon-
15 struction, reconditioning, or repowering of an existing ves-
16 sel in a shipyard of the United States.

17 “(f) PILOT PROGRAM FOR VESSELS IN DOMESTIC
18 COMMERCE.—

19 “(1) IN GENERAL.—The Maritime Adminis-
20 trator may, if determined to be consistent with all
21 other requirements of this section (except the re-
22 quirement under subsection (c)(3)(A)(i)(I)(aa)), es-
23 tablish a pilot program to consider an application as
24 described in subsection (a)(1), and award financial
25 assistance under this section for the construction or

1 repair of a vessel for use in service other than for-
2 eign commerce.

3 “(2) ELIGIBLE VESSELS.—In addition to all
4 other requirements of this section (except the re-
5 quirement under subsection (c)(3)(A)(i)(I)(aa)),
6 funding through the pilot program under this sub-
7 section shall only be used for construction or repair
8 of vessels of the United States that—

9 “(A)(i) will operate in an emerging indus-
10 try or a new trade lane;

11 “(ii) will not compete with existing vessels
12 of the United States; and

13 “(iii) will not serve a market already
14 served by a vessel of the United States with a
15 coastwise endorsement;

16 “(B)(i) will replace an existing vessel of
17 the United States that is or will be acquired by
18 the Administrator to be placed in the National
19 Defense Reserve Fleet, pursuant to section
20 57101; and

21 “(ii) as consideration for the payment of
22 financial assistance, will operate for not longer
23 than 21 years, at which time ownership will be
24 transferred to the Maritime Administrator and

1 the vessel placed in the National Defense Re-
2 serve Fleet, pursuant to section 57101; or

3 “(C) will be an oceanographic research ves-
4 sel (as defined in section 2101 of this title).

5 “(3) RULE OF CONSTRUCTION.—Nothing in
6 this subsection shall be construed to alter the re-
7 quirements under section 55102.

8 “(g) CLARIFICATION.—Notwithstanding any other
9 provision of law, the provision by the Administrator of
10 Federal financial assistance for a project described in this
11 section shall not be considered to be a major Federal ac-
12 tion under the National Environmental Policy Act of 1969
13 (42 U.S.C. 4321 et seq.) or an undertaking for the pur-
14 poses of division A of subtitle III of title 54, United States
15 Code.

16 “(j) BUY AMERICA.—Section 54101(d)(2) shall apply
17 to any funds obligated by the Administrator under this
18 section.

19 “(k) GAO REVIEW.—The Comptroller General of the
20 United States shall—

21 “(1) not later than 2 years after the date of
22 disbursement of the first financial award under this
23 section, and biennially thereafter for 10 years, con-
24 duct a review of the program under this section; and

1 “(2) submit to the appropriate committees of
2 Congress the results of each review.

3 “(1) PROHIBITION ON USE OF FUNDS.—

4 “(1) IN GENERAL.—No funds made available
5 under this section may—

6 “(A) be used to construct, modify, or im-
7 prove a facility outside of the United States;

8 “(B) be provided to a foreign entity of con-
9 cern or to support a foreign entity of concern;
10 or

11 “(C) be used to purchase materials that
12 are procured or sourced from a foreign entity of
13 concern, if such funds are for construction of a
14 vessel as described in subsection (a)(1).

15 “(2) STOCK BUYBACKS.—An entity receiving fi-
16 nancial assistance under this section may not engage
17 in any stock buyback for a period of 5 years after
18 receiving such assistance.”.

19 (b) CLERICAL AMENDMENT.—The table of chapters
20 at the beginning of part C of subtitle V of title 46, United
21 States Code, and at the beginning of subtitle V of such
22 title, are each amended by inserting after the item relating
23 to chapter 537 the following new item:

“538. Shipbuilding financial incentives 53801”.

1 **CHAPTER 2—CARGO PREFERENCE**

2 **SEC. 3644. UNITED STATES GOVERNMENT CARGO.**

3 (a) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) only the Maritime Administrator, acting in
6 the Administrator’s capacity as Director of the Na-
7 tional Shipping Authority, has the authority to de-
8 termine the non-availability of qualified capacity of
9 vessels of the United States (referred to in this sub-
10 section as “qualified United States flag capacity”) at
11 fair and reasonable rates for commercial vessels
12 of the United States to meet the requirements of
13 section 55305 or 55314 of title 46, United States
14 Code; and

15 (2) the requirements of section 55305 or 55314
16 of title 46, United States Code, may only be waived
17 temporarily by the President, the Secretary of De-
18 fense, or the Secretary of Transportation during a
19 declared emergency justifying such a temporary
20 waiver, following a determination by the Maritime
21 Administrator, acting in the Maritime Administra-
22 tor’s capacity as Director of the National Shipping
23 Authority, of the non-availability of qualified United
24 States flag capacity at fair and reasonable rates for

1 commercial vessels of the United States pursuant to
2 section 55305(d) of title 46, United States Code.

3 (b) APPLICABLE PERCENTAGE.—

4 (1) IN GENERAL.—Section 55305(a) of title 46,
5 United States Code, is amended by striking “at least
6 50” and inserting “100”.

7 (2) EFFECTIVE DATE.—The amendment made
8 by paragraph (1) shall take effect on the date that
9 is 180 days after the date of enactment of this Act.

10 (c) WAIVER.—Section 55305(d)(1) of title 46, United
11 States Code, is amended to read as follows:

12 “(1) WAIVER AUTHORITY.—

13 “(A) IN GENERAL.—Notwithstanding any
14 other provision of law, when the President, the
15 Secretary of Defense, or the Secretary of
16 Transportation declares the existence of an
17 emergency justifying a temporary waiver of this
18 section or section 55314 of this title, the Presi-
19 dent, the Secretary of Defense, the Secretary of
20 State, or the Secretary of Transportation, fol-
21 lowing a determination by the Maritime Admin-
22 istrator, acting in the Administrator’s capacity
23 as Director, National Shipping Authority, in
24 consultation with the Maritime Security Board,
25 of the non-availability of qualified United States

1 flag capacity at fair and reasonable rates for
2 commercial vessels of the United States to meet
3 the requirements of this section or section
4 55314 of this title, may waive compliance with
5 such section to the extent, in the manner, and
6 on the terms the Maritime Administrator, act-
7 ing in such capacity, prescribes, and no other
8 waivers of the requirements of this section or
9 section 55314 of this title shall be authorized.

10 “(B) INTERAGENCY AGREEMENT FOR THE
11 DETERMINATION OF NON-AVAILABILITY.—

12 “(i) IN GENERAL.—Not later than
13 180 days after the date of enactment of
14 the SHIPS for America Act of 2026, the
15 Maritime Security Advisor shall facilitate
16 an interagency agreement between the
17 Maritime Administrator and the head of
18 each agency subject to the requirements of
19 subsection (a).

20 “(ii) CONTENTS.—Each interagency
21 agreement shall include—

22 “(I) an explanation of the proc-
23 ess the agency shall follow to request
24 a determination of non-availability by

1 the Maritime Administrator under
2 subparagraph (A);

3 “(II) a standard process that the
4 Maritime Administrator shall follow
5 for making such a determination of
6 non-availability; and

7 “(III) deadlines—

8 “(aa) for when an agency
9 shall submit a request for such a
10 determination of non-availability
11 prior to the transportation of
12 equipment, materials, or com-
13 modities subject to subsection
14 (a); and

15 “(bb) for when the Maritime
16 Administrator shall make such a
17 determination of non-availability
18 after receiving a request for a
19 temporary waiver under subpara-
20 graph (A).

21 “(iii) CONGRESSIONAL NOTIFICA-
22 TION.—The Maritime Security Advisor
23 shall notify the appropriate committees of
24 Congress—

1 “(I) when each interagency
2 agreement required under this sub-
3 paragraph is finalized; and

4 “(II) any time that an inter-
5 agency agreement required under this
6 subparagraph is updated.”.

7 (d) CLARIFICATION.—Section 55305(d)(3)(B) of title
8 46, United States Code, is amended by inserting “Mari-
9 time Security Board and the” after “to the”.

10 **SEC. 3645. CARGO PREFERENCE IMPLEMENTATION REGU-**
11 **LATIONS.**

12 (a) REGULATIONS AND GUIDANCE.—Not later than
13 180 days after the date of enactment of this Act, the Mari-
14 time Administrator, notwithstanding any other provision
15 of law, regulation, or administrative order, shall—

16 (1) promulgate regulations under subchapter
17 III of chapter 5 of title 5, United States Code, to
18 fully implement and ensure compliance with sections
19 55305, 55314, 55315, and 55316 of title 46, United
20 States Code;

21 (2) issue interagency guidance to other Federal
22 departments and agencies on how to administer the
23 programs that are subject to such sections in accord-
24 ance with those sections, as applicable; and

1 (3) publish such guidance in the Federal Reg-
2 ister and on the website of the Maritime Administra-
3 tion.

4 (b) REPEAL OF EARLIER REGULATORY DEAD-
5 LINE.—Subsection (a) of section 3502 of the James M.
6 Inhofe National Defense Authorization Act for Fiscal Year
7 2023 (46 U.S.C. 55305 note; Public Law 117–263), is
8 repealed.

9 **SEC. 3646. CARGO PREFERENCE OVERSIGHT AND AUDIT.**

10 Section 55301 of title 46, United States Code, is
11 amended—

12 (1) in subsection (a)(2), by striking “section
13 55305” and inserting “sections 55305, 55314,
14 55315, and 55316”; and

15 (2) by adding at the end the following:

16 “(d) NOTIFICATION OF VIOLATION.—The Maritime
17 Administrator shall—

18 “(1) upon receiving any credible information, as
19 determined by the Administrator, that a Federal de-
20 partment or agency that administers a program cov-
21 ered by a report required under subsection (a) was
22 not in compliance with the requirements of section
23 55305, 55314, 55315, or 55316 of this title (as ap-
24 plicable), notify the Committee on Commerce,
25 Science, and Transportation of the Senate and the

1 Committee on Transportation and Infrastructure of
2 the House of Representatives not later than 14 days
3 after receiving such information; and

4 “(2) upon receiving any credible information, as
5 determined by the Administrator, that a Federal de-
6 partment or agency that administers a program cov-
7 ered by a report required under subsection (a) was
8 not in compliance with the requirements of section
9 2631 of title 10, United States Code, notify the
10 Committee on Commerce, Science, and Transpor-
11 tation and the Committee on Armed Services of the
12 Senate and the Committee on Transportation and
13 Infrastructure and the Committee on Armed Serv-
14 ices of the House of Representatives not later than
15 14 days after receiving such information.”.

16 **SEC. 3647. PRIORITY FOR VESSELS OF THE UNITED STATES.**

17 (a) IN GENERAL.—Part D of subtitle V of title 46,
18 United States Code, is amended by inserting after chapter
19 553 the following:

20 **“CHAPTER 555—PRIORITY FOR VESSELS**
21 **OF THE UNITED STATES**

“Sec.

“55501. Priority for vessels of the United States.

22 **“§ 55501. Priority for vessels of the United States**

23 “(a) IN GENERAL.—The Secretary of Transportation
24 may allow a vessel of the United States to be given priority

1 at any port in the United States, ahead of a waiting vessel
2 of a foreign country of concern (as defined in section 3604
3 of the SHIPS for America Act of 2026) or owned by a
4 foreign entity of concern (as so defined).

5 “(b) EXCEPTION.—Notwithstanding subsection (a),
6 if the Secretary of Transportation finds that it is in the
7 national interest, the Secretary may eliminate the priority
8 under this section at any port. The Secretary shall report
9 to the appropriate committees of Congress, as defined in
10 section 3604 of the SHIPS for America Act of 2026, by
11 not later than 30 days after an action eliminating priority
12 under this section.”.

13 (b) CLERICAL AMENDMENT.—The table of chapters
14 for subtitle V of title 46, United States Code, is amended
15 by inserting after the item relating to chapter 553 the fol-
16 lowing:

“555. Priority for vessels of the United States 55501”.

17 **SEC. 3648. TRANSPORTATION REQUIREMENTS FOR CER-**
18 **TAIN EXPORTS SPONSORED BY THE SEC-**
19 **RETARY OF AGRICULTURE.**

20 Section 55314 of title 46, United States Code, is
21 amended—

22 (1) by inserting before subsection (b) the fol-
23 lowing:

1 “(a) APPLICABILITY.—The requirements under sec-
2 tion 55305 of this title shall apply with respect to the ac-
3 tivities specified in subsection (b).”;

4 (2) in subsection (b)—

5 (A) in the matter preceding paragraph (1),
6 by striking “Secretary of Agriculture or the
7 Commodity Credit Corporation” and inserting
8 “Federal Government”;

9 (B) in paragraph (1), by inserting “titles
10 I, II, or III of” after “carried out under”;

11 (C) in paragraph (4), by striking “agricul-
12 tural commodities or their products” and in-
13 serting “agricultural products”;

14 (D) in paragraph (5), by striking “agricul-
15 tural commodities or their products” and in-
16 serting “agricultural products”;

17 (E) in paragraph (6), by striking “agricul-
18 tural commodities or their products” and in-
19 serting “agricultural products”;

20 (F) in paragraph (7), by striking “agricul-
21 tural commodities” and inserting “agricultural
22 products”;

23 (G) by redesignating paragraphs (4), (5),
24 (6), and (7) as paragraphs (6), (7), (8), and
25 (9), respectively; and

1 (H) by inserting after paragraph (3) the
2 following:

3 “(4) carried out under the Food for Progress
4 Act of 1985 (7 U.S.C. 1736o);

5 “(5) carried out under the McGovern-Dole
6 International Food for Education and Child Nutri-
7 tion Program under section 3107 of the Farm Secu-
8 rity and Rural Investment Act of 2002 (7 U.S.C.
9 1736o–1);”; and

10 (3) by adding at the end the following:

11 “(c) AGRICULTURAL PRODUCT DEFINED.—In this
12 section, the term ‘agricultural product’ means any food
13 product, including an agricultural commodity, specialty
14 crop (as such term is defined in section 3 of the Specialty
15 Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note)),
16 or processed food product, exported from the United
17 States.”.

18 **SEC. 3649. ENERGIZING AMERICAN SHIPBUILDING.**

19 (a) NATIONAL POLICY ON STRATEGIC ENERGY
20 ASSET EXPORT TRANSPORTATION.—

21 (1) REQUIREMENT FOR TRANSPORTATION OF
22 EXPORTS OF NATURAL GAS ON VESSELS DOCU-
23 MENTED UNDER LAWS OF THE UNITED STATES.—

24 Section 3 of the Natural Gas Act (15 U.S.C. 717b)
25 is amended by adding at the end the following:

1 “(g) TRANSPORTATION OF EXPORTS OF NATURAL
2 GAS ON VESSELS DOCUMENTED UNDER LAWS OF THE
3 UNITED STATES.—

4 “(1) CONDITION FOR APPROVAL.—Except as
5 provided in paragraph (7), with respect to an appli-
6 cation to export natural gas under subsection (a),
7 the Commission shall include in the order issued for
8 that application the condition that the person trans-
9 port the natural gas on a vessel that meets the re-
10 quirements described in paragraph (3).

11 “(2) PURPOSE.—The purpose of the require-
12 ment under paragraph (1) is to ensure that, of all
13 natural gas exported by vessel in a calendar year,
14 the following percentage is exported by a vessel that
15 meets the requirements described in paragraph (3):

16 “(A) In each of the 7 calendar years fol-
17 lowing the calendar year in which this sub-
18 section is enacted, not less than 2 percent.

19 “(B) In each of the 8th and 9th calendar
20 years following the calendar year in which this
21 subsection is enacted, not less than 3 percent.

22 “(C) In each of the 10th and 11th cal-
23 endar years following the calendar year in
24 which this subsection is enacted, not less than
25 4 percent.

1 “(D) In each of the 12th and 13th cal-
2 endar years following the calendar year in
3 which this subsection is enacted, not less than
4 6 percent.

5 “(E) In each of the 14th and 15th cal-
6 endar years following the calendar year in
7 which this subsection is enacted, not less than
8 7 percent.

9 “(F) In each of the 16th and 17th cal-
10 endar years following the calendar year in
11 which this subsection is enacted, not less than
12 9 percent.

13 “(G) In each of the 18th and 19th cal-
14 endar years following the calendar year in
15 which this subsection is enacted, not less than
16 11 percent.

17 “(H) In each of the 20th and 21st cal-
18 endar years following the calendar year in
19 which this subsection is enacted, not less than
20 13 percent.

21 “(I) In the 22nd calendar year after the
22 calendar year in which this subsection is en-
23 acted and each calendar year thereafter, not
24 less than 15 percent.

1 “(3) REQUIREMENTS FOR VESSELS.—A vessel
2 meets the requirements described in this para-
3 graph—

4 “(A) with respect to each of the 5 calendar
5 years following the calendar year in which this
6 subsection is enacted—

7 “(i) if—

8 “(I) the vessel is documented
9 under the laws of the United States;
10 and

11 “(II) with respect to any retrofit
12 work necessary for the vessel to ex-
13 port natural gas—

14 “(aa) such work is done in a
15 shipyard in the United States;
16 and

17 “(bb) any component of the
18 vessel listed in paragraph (4)
19 that is installed during the
20 course of such work is manufac-
21 tured in the United States; or

22 “(ii) if—

23 “(I) the vessel is built in the
24 United States;

1 “(II) the vessel is documented
2 under the laws of the United States;

3 “(III) all major components of
4 the hull or superstructure of the ves-
5 sel are manufactured (including all
6 manufacturing processes from the ini-
7 tial melting stage through the applica-
8 tion of coatings for iron or steel prod-
9 ucts) in the United States; and

10 “(IV) the components of the ves-
11 sel listed in paragraph (4) are manu-
12 factured in the United States; and

13 “(B) with respect to the 6th calendar year
14 following the calendar year in which this sub-
15 section is enacted, and each calendar year
16 thereafter, if the vessel meets the requirements
17 of subparagraph (A)(ii).

18 “(4) COMPONENTS.—The components of a ves-
19 sel listed in this paragraph are the following:

20 “(A) Air circuit breakers.

21 “(B) Welded shipboard anchor and moor-
22 ing chain.

23 “(C) Powered and non-powered valves in
24 Federal Supply Classes 4810 and 4820 used in
25 piping.

1 “(D) Machine tools in the Federal Supply
2 Classes for metal-working machinery numbered
3 3405, 3408, 3410 through 3419, 3426, 3433,
4 3438, 3441 through 3443, 3445, 3446, 3448,
5 3449, 3460, and 3461.

6 “(E) Auxiliary equipment for shipboard
7 services, including pumps.

8 “(F) Propulsion equipment, including en-
9 gines, propulsion motors, reduction gears, and
10 propellers.

11 “(G) Shipboard cranes.

12 “(H) Spreaders for shipboard cranes.

13 “(I) Rotating electrical equipment, includ-
14 ing electrical alternators and motors.

15 “(J) Compressors, pumps, and heat ex-
16 changers used in managing and re-liquefying
17 boil-off gas from liquefied natural gas.

18 “(5) WAIVER AUTHORITY.—The Commission
19 may waive the requirement under clause (i)(II)(bb)
20 or (ii)(IV), as applicable, of paragraph (3)(A) with
21 respect to a component of a vessel if the Maritime
22 Administrator determines that—

23 “(A) application of the requirement
24 would—

1 “(i) result in an increase of 25 per-
2 cent or more in the cost of the component
3 of the vessel; or

4 “(ii) cause unreasonable delays to be
5 incurred in building or retrofitting the ves-
6 sel; or

7 “(B) such component is not manufactured
8 in the United States in sufficient and reason-
9 ably available quantities of a satisfactory qual-
10 ity.

11 “(6) OPPORTUNITIES FOR CREDENTIALLED MER-
12 CHANT MARINERS.—Except as provided in para-
13 graph (7), the Commission shall include, in any
14 order issued under subsection (a) that authorizes a
15 person to export natural gas, a condition that the
16 person provide opportunities for individuals with a
17 merchant mariner credential (as defined in section
18 2101 of title 46, United States Code) to receive ex-
19 perience and training necessary to become
20 credentialed in working on a vessel transporting nat-
21 ural gas.

22 “(7) EXCEPTION.—The Commission may not
23 include in any order issued under subsection (a) au-
24 thorizing a person to export natural gas to a nation
25 with which there is in effect a free trade agreement

1 requiring national treatment for trade in natural gas
2 a condition described in paragraph (1), or a condi-
3 tion described in paragraph (6), if such condition
4 would violate obligations of the United States under
5 such free trade agreement.

6 “(8) USE OF FEDERAL INFORMATION.—In car-
7 rying out paragraph (1), the Commission—

8 “(A) shall use information made available
9 by—

10 “(i) the Energy Information Adminis-
11 tration; or

12 “(ii) any other Federal agency or enti-
13 ty the Commission determines appropriate;
14 and

15 “(B) may use information made available
16 by a private entity only if applicable informa-
17 tion described in subparagraph (A) is not avail-
18 able.”.

19 (2) CONFORMING AMENDMENT.—Section 3(c)
20 of the Natural Gas Act (15 U.S.C. 717b(c)) is
21 amended by striking “or the exportation of natural
22 gas” and inserting “or, subject to subsection (g), the
23 exportation of natural gas”.

1 (b) CRUDE OIL.—Section 101 of title I of division
2 O of the Consolidated Appropriations Act, 2016 (42
3 U.S.C. 6212a) is amended—

4 (1) in subsection (b), by striking “subsections
5 (c) and (d)” and inserting “subsections (c), (d), and
6 (f)”; and

7 (2) by adding at the end the following:

8 “(f) TRANSPORTATION OF EXPORTS OF CRUDE OIL
9 ON VESSELS DOCUMENTED UNDER LAWS OF THE
10 UNITED STATES.—

11 “(1) IN GENERAL.—Notwithstanding any other
12 provision of law and except as provided in paragraph
13 (6), as a condition to export crude oil, the President
14 shall require that a person exporting crude oil trans-
15 port the crude oil on a vessel that meets the require-
16 ments described in paragraph (3).

17 “(2) PURPOSE.—The purpose of the require-
18 ment under paragraph (1) is to ensure that, of all
19 crude oil exported by vessel in a calendar year, the
20 following percentage is exported by a vessel that
21 meets the requirements described in paragraph (3):

22 “(A) In each of the 7 calendar years fol-
23 lowing the calendar year in which this sub-
24 section is enacted, not less than 3 percent.

1 “(B) In each of the 8th, 9th, and 10th cal-
2 endar years following the calendar year in
3 which this subsection is enacted, not less than
4 6 percent.

5 “(C) In each of the 11th, 12th, and 13th
6 calendar years following the calendar year in
7 which this subsection is enacted, not less than
8 8 percent.

9 “(D) In the 14th calendar year following
10 the calendar year in which this subsection is en-
11 acted and each calendar year thereafter, not
12 less than 10 percent.

13 “(3) REQUIREMENTS FOR VESSELS.—A vessel
14 meets the requirements described in this para-
15 graph—

16 “(A) with respect to each of the 4 calendar
17 years following the calendar year in which this
18 subsection is enacted—

19 “(i) if—

20 “(I) the vessel is documented
21 under the laws of the United States;
22 and

23 “(II) with respect to any retrofit
24 work necessary for the vessel to ex-
25 port crude oil—

1 “(aa) such work is done in a
2 shipyard in the United States;
3 and

4 “(bb) any component of the
5 vessel listed in paragraph (4)
6 that is installed during the
7 course of such work is manufac-
8 tured in the United States; or

9 “(ii) if—

10 “(I) the vessel is built in the
11 United States;

12 “(II) the vessel is documented
13 under the laws of the United States;

14 “(III) all major components of
15 the hull or superstructure of the ves-
16 sel are manufactured (including all
17 manufacturing processes from the ini-
18 tial melting stage through the applica-
19 tion of coatings for iron or steel prod-
20 ucts) in the United States; and

21 “(IV) the components of the ves-
22 sel listed in paragraph (4) are manu-
23 factured in the United States; and

24 “(B) with respect to the 5th calendar year
25 following the calendar year in which this sub-

1 section is enacted and each calendar year there-
2 after, if the vessel meets the requirements of
3 subparagraph (A)(ii).

4 “(4) COMPONENTS.—The components of a ves-
5 sel listed in this paragraph are the following:

6 “(A) Air circuit breakers.

7 “(B) Welded shipboard anchor and moor-
8 ing chain.

9 “(C) Powered and non-powered valves in
10 Federal Supply Classes 4810 and 4820 used in
11 piping.

12 “(D) Machine tools in the Federal Supply
13 Classes for metal-working machinery numbered
14 3405, 3408, 3410 through 3419, 3426, 3433,
15 3438, 3441 through 3443, 3445, 3446, 3448,
16 3449, 3460, and 3461.

17 “(E) Auxiliary equipment for shipboard
18 services, including pumps.

19 “(F) Propulsion equipment, including en-
20 gines, propulsion motors, reduction gears, and
21 propellers.

22 “(G) Shipboard cranes.

23 “(H) Spreaders for shipboard cranes.

24 “(I) Rotating electrical equipment, includ-
25 ing electrical alternators and motors.

1 “(5) WAIVER AUTHORITY.—The President may
2 waive the requirement under clause (i)(II)(bb) or
3 clause (ii)(IV), as applicable, of paragraph (3)(A)
4 with respect to a component of a vessel if the Mari-
5 time Administrator determines that—

6 “(A) application of the requirement
7 would—

8 “(i) result in an increase of 25 per-
9 cent or more in the cost of the component
10 of the vessel; or

11 “(ii) cause unreasonable delays to be
12 incurred in building or retrofitting the ves-
13 sel; or

14 “(B) such component is not manufactured
15 in the United States in sufficient and reason-
16 ably available quantities of a satisfactory qual-
17 ity.

18 “(6) EXCEPTION.—The President may not,
19 under paragraph (1), condition the export of crude
20 oil to a nation with which there is in effect a free
21 trade agreement requiring national treatment for
22 trade in crude oil if such condition would violate ob-
23 ligations of the United States under such free trade
24 agreement.

1 “(7) OPPORTUNITIES FOR CREDENTIALLED MER-
2 CHANT MARINERS.—The Maritime Administrator
3 shall ensure that the owner or operator of a vessel
4 transporting crude oil provides opportunities for in-
5 dividuals with a merchant mariner credential (as de-
6 fined in section 2101 of title 46, United States
7 Code) to receive experience and training necessary to
8 become credentialed in working on such vessels.

9 “(8) USE OF FEDERAL INFORMATION.—In car-
10 rying out paragraph (1), the President—

11 “(A) shall use information made available
12 by—

13 “(i) the Energy Information Adminis-
14 tration; or

15 “(ii) any other Federal agency or enti-
16 ty the Commission determines appropriate;
17 and

18 “(B) may use information made available
19 by a private entity only if applicable informa-
20 tion described in subparagraph (A) is not avail-
21 able.”.

22 (c) ENERGY INFORMATION ADMINISTRATION INFOR-
23 MATION.—The Secretary of Energy, acting through the
24 Administrator of the Energy Information Administration
25 (referred to in this section as the “Secretary”), shall col-

1 lect, and make readily available to the public on the inter-
2 net website of the Energy Information Administration, in-
3 formation on exports by vessel of natural gas and crude
4 oil, including—

5 (1) forecasts for, and data on, those exports for
6 the calendar year following the calendar year in
7 which this Act is enacted and each calendar year
8 thereafter; and

9 (2) forecasts for those exports for multiyear pe-
10 riods after the date of enactment of this Act, as de-
11 termined appropriate by the Secretary.

12 **SEC. 3650. SHIP AMERICA OFFICE.**

13 (a) IN GENERAL.—Chapter 553 of title 46, United
14 States Code, is amended by adding at the end the fol-
15 lowing:

16 “SUBCHAPTER IV—SHIP AMERICA OFFICE

17 “§ 55341. Establishment of Ship America Office

18 “(a) ESTABLISHMENT.—The Maritime Adminis-
19 trator shall establish within the Maritime Administration
20 an office to be known as the ‘Ship America Office’. The
21 Maritime Administrator shall appoint the head of the Ship
22 America Office (in this section referred to as the ‘Ship
23 America Associate Administrator’).

24 “(b) DUTIES.—The Ship America Associate Adminis-
25 trator shall have the following duties:

1 “(1) Providing assistance to private sector enti-
2 ties, Federal financial assistance recipients, Federal
3 agencies, Federal contractors, and owners and oper-
4 ators of oceangoing vessels of the United States to
5 facilitate the movement of commercial and govern-
6 ment cargo on vessels of the United States in inter-
7 national commerce.

8 “(2) Maximizing compliance across Federal
9 agencies with this chapter, section 2631 of title 10,
10 and any other cargo preference law of the United
11 States.

12 “(3) Providing training and assistance to Fed-
13 eral employees, in all Federal agencies responsible
14 for shipping preference cargo, on the legal obliga-
15 tions under this chapter, section 2631 of title 10,
16 United States Code, and any other cargo preference
17 law of the United States.

18 “(4) Developing a ‘Ship America’ verification
19 program to develop self-certification industry stand-
20 ards, in partnership with private sector entities, to
21 allow private sector entities to verifiably demonstrate
22 that a product was transported to the United States
23 aboard a vessel of the United States.

24 “(5) Supporting the efforts of the executive
25 branch to develop and sustain a fleet of vessels of

1 the United States and maritime industrial base to
2 meet the sealift needs of Federal agencies.

3 “(6) Where practicable, making accessible, and
4 regularly updating, the publicly available contact in-
5 formation for oceangoing vessels of the United
6 States for the purposes of moving international com-
7 merce.

8 “(7) Publishing, and regularly updating, cen-
9 tralized information on the commercial benefits
10 available to private sector entities for moving com-
11 mercial cargo on oceangoing vessels of the United
12 States.

13 “(8) Preparing the reports under subsection
14 (c).

15 “(c) REPORTS REQUIRED.—Not later than 1 year
16 after the date of enactment of this section, and biennially
17 thereafter, the Maritime Administrator, acting through
18 the Ship America Associate Administrator, shall report to
19 the appropriate committees of Congress (as defined in sec-
20 tion 3604 of the SHIPS for America Act of 2026) and
21 the Maritime Security Board on—

22 “(1) the opportunities and challenges faced by
23 commercial entities to move cargo on oceangoing
24 vessels of the United States; and

1 “(2) recommendations to increase international
2 commerce moving on vessels of the United States.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 for chapter 553 of title 46, United States Code, is amend-
5 ed by adding at the end the following:

“SUBCHAPTER IV—SHIP AMERICA OFFICE

“55341. Establishment of Ship America Office.”.

6 **CHAPTER 3—REGULATORY REFORM**

7 **SEC. 3655. ALTERNATE STANDARDS.**

8 (a) IN GENERAL.—Chapter 33 of title 46, United
9 States Code, is amended—

10 (1) by redesignating sections 3317 and 3318 as
11 sections 3318 and 3319, respectively; and

12 (2) by inserting after section 3316 the fol-
13 lowing:

14 **“§ 3317. Alternate standards**

15 “(a) IN GENERAL.—Not later than 1 year after the
16 date of enactment of the SHIPS for America Act of 2026,
17 the Secretary, in consultation with the Maritime Adminis-
18 trator, shall establish alternate standards to allow self-pro-
19 pelled vessels providing oceangoing transportation that are
20 not documented under chapter 121 of this title to receive
21 a certificate of inspection if the vessel will become a docu-
22 mented vessel.

1 “(b) REQUIREMENTS.—Under the program estab-
2 lished under subsection (a), a self-propelled vessel used to
3 provide oceangoing transportation that is not documented
4 under chapter 121 of this title shall be eligible for a certifi-
5 cate of inspection if the Secretary determines that—

6 “(1) the owner of the vessel has agreed to apply
7 to have the vessel documented under chapter 121
8 upon receiving the certificate;

9 “(2) at the time of the receipt of such certifi-
10 cate, the vessel is eligible for documentation under
11 such chapter;

12 “(3) the vessel is classed by and designed in ac-
13 cordance with the rules of a classification society ac-
14 cepted by the Secretary;

15 “(4) the vessel complies with applicable inter-
16 national agreements and associated guidelines, as
17 determined by the country in which the vessel was
18 documented immediately before becoming docu-
19 mented under chapter 121, notwithstanding any
20 other law including any regulation;

21 “(5) the vessel has been assessed for cybersecu-
22 rity and surveillance risks; and

23 “(6) the country in which the vessel was docu-
24 mented immediately before becoming documented
25 under chapter 121 has not been identified by the

1 Secretary as inadequately enforcing international
2 vessel regulations as to that vessel.

3 “(c) CONTINUED ELIGIBILITY FOR CERTIFICATE.—

4 This section does not apply to a vessel after any date on
5 which the vessel fails to comply with the applicable inter-
6 national agreements and associated guidelines referred to
7 in subsection (b)(4).

8 “(d) RELIANCE ON CLASSIFICATION SOCIETY.—

9 “(1) IN GENERAL.—The Secretary may rely on
10 a certification from the American Bureau of Ship-
11 ping or, subject to paragraph (2), another classifica-
12 tion society accepted by the Secretary to establish
13 that a vessel is in compliance with the requirements
14 of paragraphs (3), (4), and (6) of subsection (b) and
15 of subsection (c).

16 “(2) FOREIGN CLASSIFICATION SOCIETY.—The
17 Secretary may accept certification from a foreign
18 classification society under paragraph (1) only—

19 “(A) to the extent that the government of
20 the foreign country in which the society is
21 headquartered provides access on a reciprocal
22 basis to the American Bureau of Shipping; and

23 “(B) if the foreign classification society
24 has offices and maintains records in the United
25 States.

1 “(e) RULEMAKING PROCEDURE.—The Secretary may
2 initiate a rulemaking procedure to implement this stand-
3 ard.

4 “(f) SAVINGS PROVISION.—Nothing in this section
5 shall be interpreted to affect requirements related to mer-
6 chant seamen credentials under part E of subtitle II of
7 this title or the requirements related to manning of vessels
8 under part F of such subtitle.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
10 for chapter 33 of title 46, United States Code, is amended
11 by striking the items relating to sections 3317 and 3318
12 and inserting the following:

“3317. Alternate standards.
“3318. Fees.
“3319. Penalties.”.

13 **SEC. 3655. RULEMAKING COMMITTEE ON COMMERCIAL**
14 **MARITIME REGULATIONS AND STANDARDS.**

15 (a) DEFINITIONS.—In this section:

16 (1) COVERED REGULATION.—The term “cov-
17 ered regulation”—

18 (A) means a commercial regulation or
19 standard issued by the Coast Guard relating to
20 the operation of vessels in foreign commerce, in-
21 cluding—

22 (i) vessel design and engineering
23 standards;

1 (ii) merchant mariner training and
2 credentialing; or

3 (iii) vessel operating and environ-
4 mental standards; and

5 (B) does not include any commercial regu-
6 lation or standard issued by the Coast Guard
7 that exclusively applies to vessels in domestic
8 commerce.

9 (2) RULEMAKING COMMITTEE.—The term
10 “rulemaking committee” means the committee es-
11 tablished under subsection (b).

12 (3) SECRETARY.—The term “Secretary” means
13 the Secretary of the department in which the Coast
14 Guard is operating.

15 (b) ESTABLISHMENT OF RULEMAKING COM-
16 MITTEE.—There is established, in the department in
17 which the Coast Guard is operating, a rulemaking com-
18 mittee on commercial maritime regulations and standards
19 to—

20 (1) review, and develop findings and rec-
21 ommendations regarding, the covered regulations;
22 and

23 (2) provide to the Secretary a report on oppor-
24 tunities to review and update regulations governing
25 vessel design and engineering, vessel and facility op-

1 eration and environmental standards, and merchant
2 mariner credentialing, in order to—

3 (A) revitalize the merchant marine and the
4 commercial maritime industry in the United
5 States; and

6 (B) better align, and limit redundancies
7 between, the regulatory standards of the Coast
8 Guard and the International Maritime Organi-
9 zation and international treaty requirements,
10 while protecting United States mariners and
11 the United States maritime industry from for-
12 eign regulations that undermine the maritime
13 industrial competitiveness of the United States.

14 (c) MEMBERS.—

15 (1) COMPOSITION OF RULEMAKING COM-
16 MITTEE.—The Secretary shall appoint the following
17 as members of the rulemaking committee:

18 (A) Each of the following Federal officers
19 or employees, or their designees:

20 (i) The Maritime Security Advisor.

21 (ii) The Maritime Administrator.

22 (iii) The Commandant of the Coast
23 Guard.

24 (iv) The Secretary of Commerce.

1 (v) The Administrator of the Environ-
2 mental Protection Agency.

3 (vi) The Chair of the Federal Mari-
4 time Commission.

5 (vii) The chief United States delegate
6 to the International Maritime Organiza-
7 tion.

8 (B) Representatives from recognized classi-
9 fication societies, including the American Bu-
10 reau of Shipping.

11 (C) Representatives of industry, includ-
12 ing—

13 (i) owners and operators of vessels in
14 domestic and foreign commerce of the
15 United States;

16 (ii) shipbuilders; and

17 (iii) other representatives of industry
18 the Secretary determines appropriate.

19 (D) Individuals with a merchant mariner
20 credential, as defined in section 2101 of title
21 46, United States Code.

22 (E) Representatives of maritime labor or-
23 ganizations.

24 (F) Experts in maritime safety and regu-
25 latory matters.

1 (G) Other stakeholders the Secretary de-
2 termines appropriate.

3 (2) PERIOD OF APPOINTMENT; VACANCIES.—

4 (A) IN GENERAL.—A member of the rule-
5 making committee shall be appointed for the
6 life of the rulemaking committee.

7 (B) VACANCIES.—A vacancy in the rule-
8 making committee—

9 (i) shall not affect the powers of the
10 rulemaking committee; and

11 (ii) shall be filled in the same manner
12 as the original appointment.

13 (3) CHAIRPERSON AND VICE CHAIRPERSON.—

14 The Secretary shall select a Chairperson and Vice
15 Chairperson from among the members of the rule-
16 making committee.

17 (d) MEETINGS.—

18 (1) INITIAL MEETING.—Not later than 180
19 days after the date of enactment of this Act, the
20 Secretary shall convene the rulemaking committee
21 for the first meeting of the rulemaking committee.

22 (2) QUORUM.—A majority of the members of
23 the rulemaking committee shall constitute a quorum,
24 but a lesser number of members may hold hearings.

25 (e) DUTIES OF COMMITTEE.—

1 (1) CONSIDERATIONS.—The rulemaking com-
2 mittee shall consider each of the following:

3 (A) How the covered regulations interact
4 with and compare to the treaty requirements
5 and regulations established by the International
6 Maritime Organization, including comparisons
7 and interactions on the basis of—

8 (i) safety;

9 (ii) cost;

10 (iii) enforceability and compliance;

11 and

12 (iv) international competitiveness.

13 (B) The benefits and challenges vessel
14 owners and operators and United States mari-
15 ners encounter when complying with both regu-
16 lations of the International Maritime Organiza-
17 tion and the covered regulations.

18 (C) The role that covered regulations play
19 in enhancing the size and strength of the mer-
20 chant marine and the domestic and inter-
21 national fleet of the United States.

22 (D) Recommended changes to covered reg-
23 ulations, and regulatory frameworks, to better
24 promote alignment with international standards

1 and the standards of countries that are allies
2 and partners, with a focus on—

3 (i) increasing opportunities for quali-
4 fied mariners that enter the merchant ma-
5 rine and reducing the barriers that lead
6 qualified mariners to leave the merchant
7 marine;

8 (ii) increasing the number of vessels
9 documented under the laws of the United
10 States that are operating in domestic and
11 foreign commerce;

12 (iii) enhancing United States leader-
13 ship within the International Maritime Or-
14 ganization and other international treaty
15 organizations with a focus on the maritime
16 industry;

17 (iv) streamlining regulatory processes
18 and processing timelines to minimize dupli-
19 cative reviews and eliminate preventable
20 delays; and

21 (v) maintaining and enhancing the
22 safety and security of the merchant ma-
23 rine.

24 (E) Recommended changes to covered reg-
25 ulations and regulatory frameworks that govern

1 mariner education training requirements, which
2 may include—

3 (i) expanding the pool of qualified in-
4 structors for mariner training programs;

5 (ii) streamlining requirements related
6 to training facility size and design to im-
7 prove operational efficiencies at mariner
8 training facilities, including requirements
9 related to classroom size and design;

10 (iii) standardizing and streamlining
11 training course and curriculum approval
12 and evaluation to provide more certainty to
13 mariner training programs; and

14 (iv) enhancing opportunities for mar-
15 iner training programs to flexibly integrate
16 sea-time into course instruction, consistent
17 with treaty requirements and regulations
18 established by the International Maritime
19 Organization.

20 (F) Any other matters the Secretary deter-
21 mines appropriate.

22 (2) REPORT.—Not later than 12 months after
23 the date of enactment of this Act, the rulemaking
24 committee shall submit to the Secretary a report
25 that includes the findings and recommended changes

1 to covered regulations of the rulemaking committee,
2 as required under paragraph (1).

3 (f) POWERS OF RULEMAKING COMMITTEE.—

4 (1) HEARINGS.—The rulemaking committee
5 may hold such hearings, sit and act at such times
6 and places, take such testimony, and receive such
7 evidence as the rulemaking committee considers ad-
8 visable to carry out this section.

9 (2) INFORMATION FROM FEDERAL AGENCIES.—

10 (A) IN GENERAL.—The rulemaking com-
11 mittee may secure directly from a Federal de-
12 partment or agency such information as the
13 rulemaking committee considers necessary to
14 carry out this section, as permitted by law.

15 (B) FURNISHING INFORMATION.—On re-
16 quest of the Chairperson of the rulemaking
17 committee, the head of the department or agen-
18 cy shall furnish the information to the rule-
19 making committee.

20 (g) RULEMAKING COMMITTEE PERSONNEL MAT-
21 TERS.—

22 (1) NO COMPENSATION.—A member of the
23 rulemaking committee shall not be compensated for
24 service on the rulemaking committee.

1 (2) TRAVEL EXPENSES.—A member of the rule-
2 making committee shall be allowed travel expenses,
3 including per diem in lieu of subsistence, at rates
4 authorized for employees of agencies under sub-
5 chapter I of chapter 57 of title 5, United States
6 Code, while away from their homes or regular places
7 of business in the performance of services for the
8 rulemaking committee.

9 (h) ADMINISTRATION.—Except as specified otherwise
10 in this section, the rulemaking committee shall be treated
11 as a committee established under chapter 151 of title 46,
12 United States Code, for purposes of section 15109 of such
13 title and shall not be considered a temporary organization
14 under section 3161 of title 5, United States Code.

15 (i) TERMINATION.—The rulemaking committee shall
16 terminate on the earlier of—

17 (1) the date that is 90 days after the date on
18 which the rulemaking committee submits the report
19 under subsection (e)(2); or

20 (2) the date that is 7 years after the date on
21 which the rulemaking committee is established.

22 (j) DUTIES OF THE SECRETARY.—The Secretary
23 shall—

24 (1) not later than 30 days after receiving the
25 rulemaking committee's report under subsection

1 (e)(2), submit to the appropriate committees of Con-
2 gress, and make publicly available, a copy of such
3 report and the Secretary's views on the rec-
4 ommendations of the committee; and

5 (2) not later than 90 days after submitting the
6 report under paragraph (1)—

7 (A) initiate a rulemaking activity and
8 make such policy and guidance updates deter-
9 mined necessary by the Secretary to address the
10 consensus recommendations reached by the
11 rulemaking committee under subsection (e);

12 (B) submit a report to the appropriate
13 committees of Congress identifying the rec-
14 ommendations of the rulemaking committee
15 that require legislative changes; and

16 (C) submit a report to the Secretary of
17 State identifying recommendations of the rule-
18 making committee that require changes to trea-
19 ty requirements and regulations established by
20 the International Maritime Organization, in-
21 cluding recommendations that should inform
22 the policy of the United States as a member of
23 the International Maritime Organization.

1 **SEC. 3656. AMENDMENTS TO SHIOWNERS' LIMITATION OF**
2 **LIABILITY ACT OF 1851.**

3 (a) IN GENERAL.—Section 30523 of title 46, United
4 States Code, is amended—

5 (1) by striking subsection (a) and inserting the
6 following:

7 “(a) LIMIT OF OWNER LIABILITY.—

8 “(1) IN GENERAL.—Except as provided in sec-
9 tion 30524 of this title, the liability of—

10 “(A) the owner of a vessel of the United
11 States for any claim, debt, or liability described
12 in subsection (b) shall not exceed the value of
13 the vessel and pending freight; and

14 “(B) the owner of a foreign vessel for any
15 claim, debt, or liability described in subsection
16 (b) shall not exceed the amount that is 5 times
17 the value of the vessel and pending freight.

18 “(2) MULTIPLE OWNERS.—If a vessel has more
19 than one owner, the proportionate share of the liabil-
20 ity under paragraph (1) of any one such owner shall
21 not exceed that owner’s proportionate interest in the
22 vessel and pending freight.”; and

23 (2) by striking subsection (c) and inserting the
24 following:

25 “(c) CLAIMS NOT SUBJECT TO LIMITATION.—Sub-
26 section (a) does not apply to—

1 “(1) a claim for wages; or

2 “(2) with respect to the liability of an owner of
3 a foreign vessel, a claim, debt, or liability arising
4 from personal injury or wrongful death of a person
5 who was not a crewmember or passenger of the for-
6 eign vessel at the time the injury (including fatal in-
7 jury, if applicable) occurred.”.

8 (b) AMENDMENT TO CESSATION OF CERTAIN AC-
9 TIONS.—Section 30529(c) of title 46, United States Code,
10 is amended by striking “the matter in question” and in-
11 serting “a matter subject to consideration for limitation
12 under section 30523 or section 30524”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 subsections (a) and (b) shall apply to any liability subject
15 to section 30523(a) of title 46, United States Code, that
16 arises on or after the date of enactment of this Act.

17 **Subtitle E—Shipbuilding**

18 **CHAPTER 1—SHIPBUILDING FINANCIAL**

19 **INCENTIVES**

20 **SEC. 3661. ANTICIPATED COMMERCIAL VESSEL CONSTRUC-**
21 **TION SURVEY.**

22 (a) IN GENERAL.—Chapter 501 of title 46, United
23 States Code, is amended by adding at the end the fol-
24 lowing:

1 **“§ 50115. Anticipated commercial vessel construction**
2 **survey**

3 “(a) DEFINITION.—In this section, ‘commercial ves-
4 sel of the United States’ means a vessel that is docu-
5 mented under the laws of the United States, not less than
6 6,000 deadweight tons, and operated in the domestic trade
7 of the United States or foreign commerce, and may in-
8 clude—

9 “(1) a bulk carrier vessel;

10 “(2) a tanker vessel;

11 “(3) a roll-on/roll-off vessel;

12 “(4) a liquefied natural gas tanker vessel;

13 “(5) a container vessel;

14 “(6) a multi-purpose vessel;

15 “(7) a cable vessel (as defined in section
16 53201);

17 “(8) a heavy-lift vessel; or

18 “(9) any other type of vessel determined appro-
19 priate by the Administrator, in consultation with the
20 Maritime Security Board.

21 “(b) IN GENERAL.—Not later than 180 days after
22 the date of enactment of this section, and annually there-
23 after, the Maritime Administrator shall conduct a survey
24 of owners, agents, or operators of commercial vessels of
25 the United States to identify plans for the construction,

1 maintenance, and modernization of commercial vessels of
2 the United States.

3 “(c) PURPOSE.—The purpose of the survey con-
4 ducted under this section is to inform the maritime indus-
5 trial base of the future need for the construction of com-
6 mercial vessels.

7 “(d) INCLUSIONS.—In conducting the survey under
8 this section, the Maritime Administrator shall collect the
9 following information from owners, agents, or operators
10 of commercial vessels of the United States who participate
11 in the survey:

12 “(1) The number of commercial vessels of the
13 United States the participant is looking to construct
14 during the 10-year period beginning on the date on
15 which the participant takes the survey.

16 “(2) The capabilities of the vessels described in
17 paragraph (1) that the participant is seeking in con-
18 structing such vessels.

19 “(3) Estimated timelines for when the partici-
20 pant aims to place each such vessel into service.

21 “(4) The number of major repairs of commer-
22 cial vessels of the United States and overhauls of
23 such commercial vessels the participant is looking to
24 carry out during the 10-year period described in
25 paragraph (1).

1 “(5) The major components that a shipbuilder
2 would need from industrial base suppliers to support
3 the construction, overhaul, or repair of commercial
4 vessels of the United States during such 10-year pe-
5 riod.

6 “(6) Estimates for the capital expenditures the
7 participant is planning to make for the construction,
8 overhaul, or repair of commercial vessels of the
9 United States during such 10-year period.

10 “(7) Any additional information the Maritime
11 Administrator determines appropriate.

12 “(e) PARTICIPATION.—The Administrator may not
13 require any owner, agent, or operator of a commercial ves-
14 sel of the United States to participate in the survey unless
15 that owner, agency, or operator is participating in a finan-
16 cial assistance program established under part C of this
17 subtitle.

18 “(f) RELEASE OF FINDINGS.—

19 “(1) DISTRIBUTION.—Each year, the Maritime
20 Administrator may release the findings of the survey
21 with shipyards in the United States and other mari-
22 time industrial base stakeholders the results of the
23 survey conducted under this section for such year in
24 such a manner as the Administrator determines ap-
25 propriate.

1 “(2) PROPRIETARY INFORMATION.—Notwith-
2 standing any other provision of law, including sec-
3 tion 552 of title 5, United States Code, at the re-
4 quest of a survey participant, the Maritime Adminis-
5 trator shall withhold proprietary information pro-
6 vided as a part of a survey conducted under this sec-
7 tion.

8 “(3) COORDINATION.—To the maximum extent
9 practicable, the Maritime Administrator shall seek to
10 conduct the annual surveys under this section and
11 publish the results of such surveys on a similar
12 timeline as the timeline for the annual naval vessel
13 construction plans under section 231(a)(1) of title
14 10 and other shipbuilding construction surveys pub-
15 lished by other Federal agencies.”.

16 (b) CLERICAL AMENDMENT.—The table of sections
17 for chapter 501 of title 46, United States Code, is amend-
18 ed by inserting after the item relating to section 50114
19 the following:

 “50115. Anticipated commercial vessel construction survey.”.

20 **SEC. 3662. STREAMLINED ENVIRONMENTAL REVIEW.**

21 Section 41001(6) of the Fixing America’s Surface
22 Transportation Act (42 U.S.C. 4370m(6)) is amended—

23 (1) in subparagraph (A)—

1 (A) in the matter preceding clause (i), by
2 inserting “the maritime industry” after “water-
3 ways,”;

4 (B) by redesignating clauses (iii) and (iv)
5 as clauses (iv) and (v), respectively; and

6 (C) by inserting after clause (ii) the fol-
7 lowing:

8 “(iii) is covered by a programmatic
9 plan or environmental review developed for
10 a project related to the maritime indus-
11 try;”; and

12 (2) by adding at the end the following:

13 “(D) MARITIME INDUSTRY.—For the pur-
14 poses of subparagraph (A), the term ‘construc-
15 tion of infrastructure’ for the maritime industry
16 includes construction of—

17 “(i) shipyards and ship repair facili-
18 ties;

19 “(ii) port terminals and other port fa-
20 cilities;

21 “(iii) manufacturing facilities for
22 equipment and technology instrumental to
23 the facilitation of maritime trade and com-
24 merce, as defined by the Council; and

1 “(iv) other industrial base facilities
2 that support the Navy or the merchant
3 marine of the United States.”.

4 **SEC. 3663. REPORTS.**

5 (a) REPORT ON NATIONAL DEFENSE RESERVE
6 FLEET.—

7 (1) IN GENERAL.—Not later than 180 days
8 after the date of enactment of this Act, and every
9 2 years thereafter, the Maritime Administrator, in
10 consultation with the Commander of the United
11 States Transportation Command and the Secretary
12 of the Navy, and in accordance with paragraph (2),
13 shall submit to the appropriate committees of Con-
14 gress and the Maritime Security Board a report—

15 (A) outlining a plan for using shipbuilding
16 financial incentives and the financial incentive
17 programs under subpart C of subtitle V of title
18 46, United States Code, to supplement the size
19 and readiness of the National Defense Reserve
20 Fleet and to improve national shipbuilding and
21 shipping infrastructure; and

22 (B) describing ways in which an expanded
23 and creative view of the make-up of vessels with
24 Voluntary Intermodal Sealift Agreements or
25 Voluntary Tanker Agreements and the ship-

1 building financial incentives program authorized
2 under such section can be used to ensure gov-
3 ernment access to other vessels that are critical
4 to national security, such as icebreakers, oil and
5 natural gas tankers, floating dry docks, salvage
6 vessels, dredges, ocean tugs, offshore construc-
7 tion vessels, multi-use workboats, and commer-
8 cial shipping vessels using small nuclear reac-
9 tors.

10 (2) ADDITIONAL CONSULTATION.—In preparing
11 the report under paragraph (1), the Maritime Ad-
12 ministrator shall also consult with the Secretary of
13 Commerce and the Secretary of Energy with respect
14 to shipping vessels or mobile maritime power plants
15 using small nuclear reactors.

16 (b) REPORT ON DE-RISKING MARITIME SECTOR.—
17 Not later than 180 days after the date of enactment of
18 this Act, and every 2 years thereafter, the Secretary of
19 Defense and the Secretary of Homeland Security, in co-
20 ordination with the Secretaries of Treasury and State, the
21 Maritime Administrator, and the Director of the Office of
22 Management and Budget, shall submit to the appropriate
23 committees of Congress and the Maritime Security Board
24 a report outlining a comprehensive strategy for de-risking
25 the United States maritime domain from the People's Re-

1 public of China and other asymmetric or emerging mari-
2 time threats.

3 (c) REPORT ON RESTRICTING FLOW OF CAPITAL TO
4 CCP.—Not later than 180 days after the date of enact-
5 ment of this Act, the Secretary of Transportation, the Sec-
6 retary of Defense, the Secretary of Commerce, the Sec-
7 retary of State, and the Secretary of the Treasury shall
8 submit to the appropriate committees of Congress and the
9 Maritime Security Board a report on ways and means for
10 restricting the flow of capital from the United States to
11 Chinese Communist Party maritime industries, which
12 shall include recommendations for promoting the flow of
13 capital within and between the United States and treaty
14 allies of the United States. The report shall also include
15 a survey of banks, pension funds, and large financial insti-
16 tutions, with recommendations for ways the United States
17 can incentivize domestic financial investments in the mari-
18 time industry.

19 **SEC. 3664. EXPORT CONTROL REPORT.**

20 Not later than 1 year after the date of enactment
21 of this Act, the Secretary of State and the Secretary of
22 Commerce shall jointly submit to Congress a report as-
23 sessing methods to reduce the use of export controls and
24 other restrictions under the Arms Export Control Act (22
25 U.S.C. 2751 et seq.) and the International Traffic in

1 Arms Regulations under subchapter M of chapter I of title
2 22, Code of Federal Regulations, and the Export Control
3 Reform Act of 2018 (50 U.S.C. 4801 et seq.) and the Ex-
4 port Administration Regulations under subchapter C of
5 chapter VII of title 15, Code of Federal Regulations, or
6 successor regulations, that limit the ability of foreign-
7 owned marine industrial base companies to participate in
8 the United States shipbuilding industry, specifically in-
9 cluding shipbuilding for the Federal Government, while
10 ensuring appropriate safeguards for United States-based
11 firms and American workers.

12 **CHAPTER 2—DEPARTMENT OF DEFENSE**
13 **PROGRAMS**

14 **SEC. 3665. ASSESSMENT OF THE USE OF COMMERCIAL**
15 **BEST PRACTICES FOR NAVY SHIPBUILDING.**

16 (a) ASSESSMENT.—

17 (1) IN GENERAL.—The Secretary of the Navy,
18 in coordination with the Secretary of Transportation
19 and the Secretary of the Department in which the
20 Coast Guard is operating, shall—

21 (A) conduct an assessment of best prac-
22 tices used in the construction and repair of
23 commercial, oceangoing maritime vessels; and

24 (B) identify—

1 (i) opportunities for the Navy and
2 Coast Guard to leverage those best prac-
3 tices to make ship construction and repair
4 efforts of combatant and non-combatant
5 vessels more efficient; and

6 (ii) advanced technologies that can be
7 leveraged to improve the overall readiness
8 and dominance of the United States mari-
9 time fleet (both commercial and military),
10 to specifically include small modular reac-
11 tors for ship power and propulsion.

12 (2) ELEMENTS.—The assessment required by
13 paragraph (1) shall include the following:

14 (A) An evaluation of the best practices de-
15 scribed in subparagraph (A) of such paragraph,
16 including best practices used by commercial
17 shipyards in foreign allied countries, consider-
18 ation of commercial design standards, and the
19 vessel construction manager model used to con-
20 struct the National Security Multi Mission Ves-
21 sel Program, that could improve the efficiency
22 of shipbuilding and repair by the Navy and
23 Coast Guard.

24 (B) An identification of commercial-grade
25 components and capabilities being used in state-

1 of-the-art commercial, oceangoing maritime ves-
2 sels and an assessment of whether the Navy
3 and Coast Guard could better use commercial
4 off-the-shelf components or capabilities to re-
5 duce costs, improve efficiencies, or enhance ca-
6 pabilities in the construction of new naval ves-
7 sels and cutters, and in repair of naval vessels
8 and cutters.

9 (C) A determination as to whether ship-
10 building and acquisition programs of the Navy
11 and Coast Guard use modern best practices
12 from the commercial maritime industry in
13 terms of contracting, ship design, construction,
14 overhaul, and maintenance.

15 (D) An identification of technologies and
16 procedures that are used in commercial ship-
17 building that, if used by the Navy and Coast
18 Guard, would improve the efficiency of design-
19 ing and constructing new naval vessels.

20 (E) An identification of technologies and
21 procedures that are used in commercial ship-
22 building and repair that, if used by the Navy
23 and Coast Guard, would improve the efficiency
24 of repairing naval vessels.

1 (F) An identification of opportunities to
2 improve commonality in ship design, ship com-
3 ponents, and shipbuilding procedures between
4 commercial, oceangoing maritime vessels, naval
5 vessels, and cutters that could lead to improved
6 efficiencies and a more resilient industrial base
7 to support shipbuilding and repair for military
8 and civil maritime vessels.

9 (G) An identification of advanced nuclear
10 technologies that are under development for use
11 in commercial shipbuilding that, if used by the
12 Navy and Coast Guard, would improve the
13 operational capability of naval vessels and cut-
14 ters.

15 (H) An identification of the barriers pre-
16 venting or making prohibitive the use of small
17 modular reactors in naval or commercial, ocean-
18 going maritime vessels, including—

19 (i) ambiguity in regulations governing
20 nuclear propulsion restricting the commer-
21 cial maritime industry from utilizing nu-
22 clear propulsion or collaborating between
23 United States and foreign entities under
24 export controls requirements, including
25 section 744.5 of title 15, Code of Federal

1 Regulations (or a similar successor regula-
2 tion); and

3 (ii) a lack of clarity in the meaning of
4 “maritime (civil) nuclear propulsion plant
5 projects” contained in the Export Adminis-
6 tration Regulations and “Naval Nuclear
7 Propulsion” contained in the International
8 Traffic in Arms Regulations (Cat VI).

9 (I) An evaluation of education and tech-
10 nology development best practices used by com-
11 mercial shipyards in foreign allied countries,
12 and an identification of education and tech-
13 nology development opportunities, that could
14 improve the efficiency of shipbuilding and re-
15 pair by the Navy and Coast Guard.

16 (J) An evaluation of whether adoption of
17 the best practices evaluated under subpara-
18 graph (A) for the construction and repair of
19 naval vessels and cutters would support the do-
20 mestic commercial maritime shipbuilding indus-
21 try, the commercial maritime industrial base,
22 and the merchant marine of the United States.

23 (b) BRIEFING.—Not later than 180 days after the
24 date of the enactment of this Act, the Secretary of the

1 Navy shall provide to the congressional defense commit-
2 tees a briefing on—

3 (1) the results of the assessment required by
4 subsection (a); and

5 (2) a plan to execute any measures pursuant to
6 such assessment.

7 (c) STRATEGY REQUIRED.—Not later than 1 year
8 after the date of enactment of this Act, and biennially
9 thereafter, the Secretary of the Navy and Secretary of the
10 Department in which the Coast Guard is operating shall—

11 (1) provide to the appropriate committees of
12 Congress strategies describing how measures identi-
13 fied as a result of the assessment required by sub-
14 section (a) will be incorporated into shipbuilding
15 programs for the Navy and Coast Guard; and

16 (2) publish a public version of the strategies.

17 (d) CONGRESSIONAL DEFENSE COMMITTEES DE-
18 FINED.—In this section, the term “congressional defense
19 committees” has the meaning given that term in section
20 101(a) of title 10, United States Code.

21 **SEC. 3666. PLAN OF ACTION FOR USE OF DEFENSE PRO-**
22 **DUCTION ACT OF 1950 AUTHORITIES.**

23 (a) IN GENERAL.—Not later than 180 days after the
24 date of the enactment of this Act, the President shall sub-
25 mit to the appropriate committees of Congress a report

1 on a plan of action for any use of authorities available
2 under title III of the Defense Production Act of 1950 (50
3 U.S.C. 4531 et seq.)—

4 (1) to establish or enhance a domestic produc-
5 tion capability for the construction of militarily use-
6 ful, commercial maritime vessels that can be oper-
7 ated in foreign commerce or the domestic commerce
8 of the United States;

9 (2) to establish, improve, or enhance the de-
10 fense shipyard industrial base; or

11 (3) to establish, improve, or enhance maritime
12 port infrastructure of the United States, including
13 containers and ship-to-shore cranes that were built
14 in the United States and are owned by citizens of
15 the United States.

16 (b) COORDINATION.—The President shall develop the
17 plan of action required by subsection (a) in consultation
18 with—

19 (1) the maritime security advisor (as estab-
20 lished by this title);

21 (2) the Maritime Security Board (as established
22 by this title);

23 (3) an advisory committee established under
24 section 708(d) of the Defense Production Act of
25 1950 (50 U.S.C. 4558(d)); and

1 (4) such stakeholders in the private sector as
2 the President considers appropriate.

3 (c) APPROPRIATE COMMITTEES OF CONGRESS DE-
4 FINED.—In this section, the term “appropriate commit-
5 tees of Congress” means—

6 (1) the Committee on Armed Services, the
7 Committee on Commerce, Science, and Transpor-
8 tation, and the Committee on Appropriations of the
9 Senate; and

10 (2) the Committee on Armed Services, the
11 Committee on Transportation and Infrastructure,
12 and the Committee on Appropriations of the House
13 of Representatives.

14 **SEC. 3667. MILITARY SEALIFT COMMAND.**

15 (a) AUTHORITY TO OFFER INCREASED PAID LEAVE
16 ACCRUAL.—The Secretary of the Navy is authorized to
17 offer government merchant mariners employed by Military
18 Sealift Command paid leave accrual at a faster rate than
19 provided pursuant to the standard General Schedule (GS)
20 system to make government seafaring jobs more competi-
21 tive with the commercial sector.

22 (b) REPORT ON RECRUITING AND RETENTION EF-
23 FORTS.—

24 (1) IN GENERAL.—Not later than 180 days
25 after the date of the enactment of this Act, and an-

1 nually thereafter, the Secretary of the Navy, in co-
2 ordination with the Commander of the Military Sea-
3 lift Command and the Maritime Security Board, and
4 in consultation with the Commander of United
5 States Transportation Command, the Commander of
6 United States Fleet Forces Command, and the As-
7 sistant Secretary of the Navy for Research, Develop-
8 ment and Acquisition, shall submit to the appro-
9 priate committees of Congress a report on efforts to
10 improve recruitment and retention of Military Sealift
11 Command Mariners.

12 (2) ELEMENTS.—The report required under
13 paragraph (1) shall consider—

14 (A) opportunities to enhance the integra-
15 tion of Military Sealift Command civilian
16 mariners into the military command structure;

17 (B) providing training on the roles and sig-
18 nificance of Military Sealift Command civilian
19 mariner workforce to relevant military com-
20 mands; and

21 (C) authorities required to improve recruit-
22 ment and retention of civilian mariners in Mili-
23 tary Sealift Command.

24 (c) REPORT ON EXTENDING CHARTER DURA-
25 TIONS.—Not later than 90 days after the date of the en-

1 actment of this Act, the Secretary of the Navy shall sub-
2 mit to the appropriate committees of Congress a report
3 assessing the merits of extending the maximum charter
4 durations of commercial and specialty vessels for the Mili-
5 tary Sealift Command.

6 **CHAPTER 3—SHIPBUILDING INNOVATION**
7 **AND INFRASTRUCTURE**

8 **SEC. 3668. UNITED STATES CENTER FOR MARITIME INNO-**
9 **VATION.**

10 (a) IN GENERAL.—Section 50307(e) of title 46,
11 United States Code, is amended—

12 (1) in paragraph (1), by inserting “through the
13 establishment, management, and coordination of
14 geographically and topically diverse maritime incuba-
15 tors” after “maritime transportation system”; and

16 (2) by striking paragraphs (2), (3), and (4),
17 and inserting the following:

18 “(2) COOPERATIVE AGREEMENT.—The coopera-
19 tive agreement shall be with an organization or per-
20 sons with substantial experience in the maritime in-
21 dustry, as determined by the Secretary, in consulta-
22 tion with the Maritime Security Board.

23 “(3) SELECTION.—The Center shall be—

1 “(A) selected through a competitive proc-
2 ess of eligible entities, and if a private entity,
3 a domestic entity;

4 “(B) based in the United States with tech-
5 nical expertise in emerging marine technologies
6 and practices related to the maritime transpor-
7 tation system; and

8 “(C) located in close proximity to eligible
9 entities with expertise in United States emerg-
10 ing maritime technologies and practices.

11 “(4) COORDINATION.—The Secretary of Trans-
12 portation shall coordinate with the Maritime Secu-
13 rity Board and other agencies critical for science, re-
14 search, and regulation of emerging marine tech-
15 nologies for the maritime sector, including the De-
16 partment of Defense, the Department of Energy, the
17 Environmental Protection Agency, the National
18 Science Foundation, the Coast Guard, the National
19 Oceanic and Atmospheric Association, and the Ma-
20 rine Board of the National Academies when estab-
21 lishing the Center.

22 “(5) RESPONSIBILITIES.—The Center shall
23 carry out the following activities:

24 “(A) Establish and support maritime incu-
25 bators in accordance with paragraph (6).

1 “(B) Accelerate the adoption or integration
2 of commercial technologies within the maritime
3 industry to transform the capacity and capabili-
4 ties of the merchant marine of the United
5 States.

6 “(C) Serve as the principal liaison between
7 the Maritime Security Board and maritime in-
8 cubators.

9 “(D) Carry out programs, projects, and
10 other activities to strengthen the merchant ma-
11 rine of the United States and the maritime in-
12 dustrial base.

13 “(E) Coordinate and harmonize the activi-
14 ties of other organizations and elements of the
15 maritime industry on matters relating to com-
16 mercial technologies, dual use technologies, and
17 the innovation of such technologies.

18 “(F) Coordinate and advise efforts among
19 elements of the maritime industry on matters
20 relating to the development, procurement, and
21 fielding of nontraditional capabilities and con-
22 nect entities developing those capabilities with
23 the relevant incubators.

24 “(G) Coordinate with maritime industry
25 stakeholders to identify operational challenges

1 that have the potential to be addressed through
2 the use of nontraditional capabilities, including
3 dual-use technologies that are being developed
4 and financed in the commercial sector.

5 “(H) Coordinate with maritime industry
6 stakeholders and relevant Federal agencies to
7 enhance the capacity and performance of sea-
8 ports of the United States, including through
9 hardening security, enhancing preparedness,
10 and developing United States-based supply
11 chains for port technologies and equipment.

12 “(I) Coordinate with other research and
13 development programs and centers focused on
14 modes of transportation besides maritime to de-
15 velop intermodal interoperability with the mari-
16 time industry.

17 “(J) Develop a standard design for com-
18 mercial vessels and components and features of
19 commercial vessels to be manufactured in the
20 United States, using mature, proven designs,
21 which—

22 “(i) includes, to the maximum extent
23 practicable, included parts, components,
24 and material manufactured in and sourced
25 from the United States;

1 “(ii) does not include any parts, com-
2 ponents, or materials manufactured by for-
3 eign entities of concern or which are pro-
4 duced in foreign countries of concern (as
5 such terms are defined in section 3604 of
6 the SHIPS for America Act of 2026); and

7 “(iii) includes priorities for design
8 identified in consultation with the Sec-
9 retary of the Navy, as necessary for stra-
10 tegic sealift, informed by requirements to
11 sustain a wartime economy and military
12 operations.

13 “(K) Lead engagement with industry, aca-
14 demia, labor organizations, and other non-
15 governmental entities to develop—

16 “(i) innovative, commercial, and dual-
17 use manufacturing technologies and proc-
18 esses to construct, rehabilitate, or repair
19 maritime vessels of the Armed Forces or
20 the merchant marine of the United States;

21 “(ii) additional naval architecture pro-
22 grams at institutions of higher education
23 in the United States and to expand exist-
24 ing naval architecture programs;

1 “(iii) next-generation propulsion tech-
2 nologies for the merchant marine of the
3 United States, to include small modular re-
4 actors, low-emission or carbon capture pro-
5 pulsion technologies, and other renewable
6 energy solutions;

7 “(iv) new and innovative hardware,
8 software, and systems for remote or auton-
9 omous operations at ports, intermodal fa-
10 cilities, or aboard oceangoing vessels;

11 “(v) technology and infrastructure so-
12 lutions that enhance the safe operation of
13 oceangoing vessels to protect lives, prop-
14 erty, and the environment;

15 “(vi) solutions to recruit, train, and
16 retain a skilled workforce capable of sup-
17 porting a vibrant and growing United
18 States maritime industry; and

19 “(vii) the capacity of international al-
20 lies and partners of the United States,
21 with respect to manufacturing technologies
22 and processes, to construct, rehabilitate, or
23 repair maritime vessels.

24 “(L) Work with academic and private sec-
25 tor response training centers and Centers of

1 Excellence for Domestic Maritime Workforce
2 Training and Education to develop maritime
3 strategies and workforce development plans ap-
4 plicable to various segments of the United
5 States maritime industry, including the inland,
6 deep water, and coastal fleets.

7 “(M) Establish programs and initiatives to
8 share—

9 “(i) shipbuilding best practices and
10 maritime technology between vessels of the
11 Department of Defense and commercial
12 vessels of the United States; and

13 “(ii) port technology and logistics best
14 practices between the Department of De-
15 fense and commercial port operators and
16 port authorities within the United States.

17 “(N) Carry out such other activities as the
18 Maritime Security Board determines appro-
19 priate.

20 “(6) ESTABLISHMENT OF MARITIME INCUBA-
21 TORS.—

22 “(A) ESTABLISHMENT.—The Center shall,
23 in consultation with the Maritime Security
24 Board, seek out, identify, and support the de-
25 velopment of and experimentation with commer-

1 cial technologies that have the potential to be
2 implemented within the maritime industry,
3 through the establishment of a series of mari-
4 time incubators.

5 “(B) REFLECTION.—Each incubator shall
6 reflect the unique nature of the region’s capa-
7 bilities and academic and investor base.

8 “(C) SELECTION.—Incubators shall be—

9 “(i) selected through a competitive
10 process of eligible entities, and if a private
11 entity, a domestic entity;

12 “(ii) based in the United States with
13 technical expertise in emerging marine
14 technologies and practices related to the
15 maritime transportation system;

16 “(iii) based within a United States
17 maritime security investment zone as de-
18 fined in section 1400Z–3 of the Internal
19 Revenue Code of 1986 (as added by sec-
20 tion 708 of this Act); and

21 “(iv) topic-specific, according to re-
22 gional maritime expertise in United States
23 emerging maritime technologies and prac-
24 tices, to include designated incubators fo-
25 cused on—

1 “(I) clean energy, carbon cap-
2 ture, and alternative fuels;

3 “(II) ports and shoreside infra-
4 structure;

5 “(III) vessel design and naval ar-
6 chitecture;

7 “(IV) shipbuilding and next gen-
8 eration manufacturing;

9 “(V) advanced materials for ship
10 construction; and

11 “(VI) other areas for maritime
12 innovation and technology, as deter-
13 mined by the Center in coordination
14 with the Maritime Security Board.

15 “(D) INCUBATOR RESPONSIBILITIES.—

16 Each maritime incubator shall—

17 “(i) serve as the principal liaison be-
18 tween the Center and individuals and enti-
19 ties that can contribute to innovation with-
20 in the maritime industry, including other
21 maritime incubators under this subsection,
22 entrepreneurs, startups, commercial tech-
23 nology companies, and venture capital
24 sources; and

1 “(ii) establish and support multi-
2 stakeholder research and innovation part-
3 nerships, as described in subparagraph
4 (G).

5 “(E) REPORT.—Each incubator shall sub-
6 mit quarterly activity and status reports to the
7 Center.

8 “(F) REVIEW AND TERMINATION.—

9 “(i) IN GENERAL.—The Maritime Ad-
10 ministrator may, in consultation with the
11 Maritime Security Board, terminate an
12 agreement with an eligible entity selected
13 to lead a maritime incubator if the Admin-
14 istrator certifies that the eligible entity is
15 failing to meet the requirements of this
16 section.

17 “(ii) RESELECTION.—If the Adminis-
18 trator terminates an agreement with an el-
19 igible entity to lead a maritime incubator,
20 the Center shall initiate a new selection
21 process as required under subparagraph
22 (C) to select a new eligible entity.

23 “(iii) REVIEW OF ELIGIBLE ENTI-
24 TIES.—Not later than 5 years after the es-
25 tablishment of maritime incubators under

1 this paragraph, and every 5 years there-
2 after, the Administrator, in coordination
3 with the Maritime Security Board, shall
4 conduct a review of all eligible entities se-
5 lected to lead a maritime incubator and
6 confirm the entity is adequately fulfilling
7 the requirements of this section.

8 “(G) MULTI-STAKEHOLDER PARTNER-
9 SHIPS.—

10 “(i) IN GENERAL.—The maritime in-
11 cubators established under this subsection
12 shall establish and support multi-stake-
13 holder research and innovation partner-
14 ships that—

15 “(I) have the potential to gen-
16 erate technologies, processes, prod-
17 ucts, or other solutions that support
18 the United States maritime industry;

19 “(II) have as an objective the
20 technology transfer or commercializa-
21 tion of the work product generated by
22 the partnership, which may include
23 work product that incorporates intel-
24 lectual property developed by the Fed-
25 eral Government and licensed to the

1 partnership in accordance with clause
2 (iii); and

3 “(III) incentivize and expand
4 geographically diverse participation in
5 graduate and undergraduate institu-
6 tions of higher education, community
7 college, and other workforce programs
8 relevant to the maritime industry.

9 “(ii) SUPPORT PROVIDED.—Support
10 provided by the maritime incubator to a
11 multi-stakeholder research and innovation
12 partnership under this subsection may in-
13 clude—

14 “(I) providing funding or other
15 resources to the partnership;

16 “(II) participating in the part-
17 nership;

18 “(III) providing technical and
19 technological advice and guidance to
20 the partnership;

21 “(IV) suggesting and introducing
22 other participants for inclusion in the
23 partnership;

1 “(V) providing the partnership
2 with insight into desired solutions for
3 defense and security needs;

4 “(VI) providing access to Ready
5 Reserve ships for testing new tech-
6 nologies and conducting research, as
7 the maritime incubator determines ap-
8 propriate, in coordination with the
9 Center and the Administrator; and

10 “(VII) such other forms of sup-
11 port as the Center, in consultation
12 with maritime incubators and Mari-
13 time Security Board, determines ap-
14 propriate.

15 “(iii) AVAILABILITY OF INTELLEC-
16 TUAL PROPERTY.—To the extent the Cen-
17 ter determines appropriate, the Center, in
18 coordination with the maritime incubators,
19 shall seek to actively inform potential par-
20 ticipants in multi-stakeholder research and
21 innovation partnerships of the availability
22 of intellectual property developed by the
23 Federal Government that may be licensed
24 to the partnership.

1 “(7) REPORT.—Not later than 180 days after
2 the date of enactment of the SHIPS for America
3 Act of 2026, and annually thereafter, the Center
4 shall submit to the Maritime Security Board and the
5 appropriate congressional committees a report on
6 the activities, advances, outcomes, and work product
7 of the maritime incubators and the multi-stakeholder
8 research and innovation partnerships supported
9 under this subsection.

10 “(8) DEFINITIONS.—In this subsection:

11 “(A) MULTI-STAKEHOLDER RESEARCH
12 AND INNOVATION PARTNERSHIP.—The term
13 ‘multi-stakeholder research and innovation part-
14 nership’ means a partnership composed of any
15 combination of 2 or more of the following:

16 “(i) Institutions of higher education
17 (as defined in section 102 of the Higher
18 Education Act of 1965 (20 U.S.C. 1002))
19 with research and innovation capability.

20 “(ii) Nonprofit organizations that pro-
21 vide policy, research, outreach, operations,
22 organizational, management, testing, eval-
23 uation, technology transfer, legal, financial,
24 or advocacy expertise.

1 “(iii) For-profit commercial enter-
2 prises that may be publicly or privately
3 owned, early stage or mature, and incor-
4 porated or operating by another ownership
5 structure.

6 “(iv) Centers of excellence for domes-
7 tic maritime workforce training and edu-
8 cation (established under section 51706).

9 “(v) Maritime labor organizations.

10 “(vi) Departments or agencies of the
11 Federal Government with expertise, oper-
12 ations, or resources related to the objec-
13 tives of the multi-stakeholder research and
14 innovation partnership.

15 “(vii) State maritime academies (as
16 defined in section 51102(4)).

17 “(viii) The United States Merchant
18 Marine Academy.

19 “(ix) National research laboratories
20 with expertise, operations, or resources re-
21 lated to the objectives of the partnership.

22 “(x) Operators and users of vessels of
23 the University-National Oceanographic
24 Laboratory System.

1 “(B) NONTRADITIONAL CAPABILITY.—The
2 term ‘nontraditional capability’ means a solu-
3 tion to an operational challenge that can signifi-
4 cantly leverage commercial innovation or exter-
5 nal capital with minimal dependencies on field-
6 ed systems.

7 “(C) MARITIME INDUSTRY.—The term
8 ‘maritime industry’ includes—

9 “(i) shipbuilders and ship repair fa-
10 cilities;

11 “(ii) ship owners;

12 “(iii) port operators;

13 “(iv) personnel of the merchant ma-
14 rine of the United States;

15 “(v) manufacturers of equipment,
16 software, and technology instrumental to
17 the facilitation of maritime trade and com-
18 merce; and

19 “(vi) other members of the industrial
20 base that support the Navy or the mer-
21 chant marine of the United States.”.

22 (b) TRANSITION.—A Center for Maritime Innovation
23 established by the Secretary of Transportation through a
24 cooperative agreement pursuant to section 50307 of title

1 46, United States Code, as of the day before the date of
2 enactment of this Act shall—

3 (1) be deemed to be the United States Center
4 for Maritime Innovation under section 50307 of title
5 46, United States Code, as of the date of enactment
6 of this Act, with all the authorities granted by such
7 section; and

8 (2) coordinate activities of the Center with the
9 Maritime Security Board pursuant to subsection
10 (e)(4) of such section, as amended by this title.

11 **SEC. 3669. NATIONAL SHIPBUILDING RESEARCH PROGRAM.**

12 Section 50105(c) of title 46, United States Code, is
13 amended to read as follows:

14 “(c) NATIONAL SHIPBUILDING RESEARCH PRO-
15 GRAM.—

16 “(1) IN GENERAL.—The Maritime Adminis-
17 trator shall establish and carry out, in coordination
18 with the Secretary of the Navy, the National Ship-
19 building Research Program.

20 “(2) PURPOSES.—The purpose of the National
21 Shipbuilding Research Program shall be to develop
22 plans for the economical construction of vessels and
23 their propelling machinery, of most modern economi-
24 cal types, giving thorough consideration to all well-
25 recognized means of propulsion and taking into ac-

1 count the benefits from standardized production
2 where practicable and desirable.

3 “(3) ACTIVITIES.—The National Shipbuilding
4 Research Program shall—

5 “(A) support technology transfers and in-
6 dustry networking;

7 “(B) select and execute research and devel-
8 opment projects, which may include—

9 “(i) advancing best practices in ship-
10 building and ship repair, including alter-
11 native project management and project fi-
12 nancing arrangements for shipyards, such
13 as public-private financing;

14 “(ii) improving efficiency across the
15 shipyard industrial base of the United
16 States; and

17 “(iii) developing, maturing, and imple-
18 menting industry-relevant shipbuilding and
19 sustainment technologies;

20 “(C) carry out ad hoc initiatives focused
21 on specific target areas in shipbuilding and ship
22 repair; and

23 “(D) carry out additional activities as de-
24 termined by the Maritime Administrator or the
25 Secretary of Defense.”.

1 **SEC. 3670. ASSESSMENT ON MARITIME INFRASTRUCTURE**
2 **READINESS.**

3 (a) IN GENERAL.—Not later than 180 days after the
4 date of enactment of this Act, the Maritime Administrator
5 shall submit to Congress a report on the status and re-
6 sources and authorities needed to execute and complete
7 necessary vessels, harborcraft, port, shipyard, and other
8 infrastructure improvements to ensure the national secu-
9 rity interests of the United States and support the domes-
10 tic and foreign commerce of the United States.

11 (b) CONTENTS.—The report under subsection (a)
12 shall include—

13 (1) consideration of existing literature and re-
14 porting from Federal and non-Federal sources;

15 (2) an assessment of the number of commercial
16 shipping vessels by class required to sustain a peace-
17 time and wartime national economy;

18 (3) an assessment of opportunities to leverage
19 private sector funding to enhance the capability of
20 marine infrastructure of the United States;

21 (4) an evaluation of future infrastructure needs
22 to support alternative fuels for vessels and
23 harborcraft;

24 (5) an assessment of an ability to construct and
25 repair seaports and shipyards during national secu-
26 rity emergencies, including readiness to construct

1 temporary facilities, and carry out marine salvage
2 and firefighting operations; and

3 (6) an evaluation of the possible effects on the
4 commercial operations of United States ports and
5 other critical infrastructure of prohibiting any entity
6 that owns or operates a port or terminal in the
7 United States from using or sharing data with—

8 (A) LOGINK;

9 (B) any logistics platform controlled by, af-
10 filiated with, or subject to the jurisdiction of
11 the Chinese Communist Party or the Govern-
12 ment of the People’s Republic of China; or

13 (C) any logistics platform that shares data
14 with a system described in subparagraph (A) or
15 (B).

16 (c) DEFINITIONS.—

17 (1) CRITICAL INFRASTRUCTURE.—The term
18 “critical infrastructure” has the meaning given the
19 term in section 721(a) of the Defense Production
20 Act of 1950 (50 U.S.C. 4565(a)).

21 (2) LOGINK.—The term “LOGINK” means
22 the public, open, shared logistics information net-
23 work known as the National Public Information
24 Platform for Transportation and Logistics by the

1 Ministry of Transport of the People’s Republic of
2 China.

3 **Subtitle F—Workforce**
4 **Development**

5 **CHAPTER 1—WORKFORCE INCENTIVES**

6 **SEC. 3671. ELIGIBILITY FOR EDUCATIONAL ASSISTANCE.**

7 (a) IN GENERAL.—Chapter 521 of title 46, United
8 States Code, is amended by adding at the end the fol-
9 lowing:

10 **“§ 52102. Eligibility for educational assistance**

11 “(a) ELIGIBILITY.—A covered individual shall be
12 treated as an individual described in section 3311(b)(1)
13 of title 38, United States Code, for purposes of entitle-
14 ment to educational assistance under chapter 33 of such
15 title.

16 “(b) COVERED INDIVIDUAL.—

17 “(1) IN GENERAL.—In this section, the term
18 ‘covered individual’ means an individual who—

19 “(A) served as a full-time, credentialed
20 United States Merchant Mariner for not less
21 than 10 years;

22 “(B) as a result of such service received
23 the Merchant Marine Expeditionary Medal or
24 another award for service in a designated com-

1 bat zone after the date of enactment of this sec-
2 tion; and

3 “(C) is not eligible under any other provi-
4 sion of law for benefits under laws administered
5 by the Secretary of Veterans Affairs.

6 “(2) FULL-TIME, CREDENTIALLED UNITED
7 STATES MERCHANT MARINER.—For purposes of
8 paragraph (1), serving as a ‘full-time, credentialed
9 United States Merchant Mariner’ means possession
10 of a Merchant Mariner Credential authorized by the
11 Coast Guard and employment on board a vessel of
12 the United States for not less than 150 days in a
13 calendar year.

14 “(c) REIMBURSEMENT.—There is authorized to be
15 appropriated to the Secretary of Veterans Affairs such
16 sums as may be necessary to carry out this section from
17 the Maritime Security Trust Fund established under sec-
18 tion 50301(b) of this title.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 for chapter 521 of title 46, United States Code, is amend-
21 ed by adding at the end the following:

 “52102. Eligibility for educational assistance.”.

22 **SEC. 3672. ELIGIBILITY OF MARINERS TO ATTEND NAVAL**
23 **POSTGRADUATE SCHOOL.**

24 (a) IN GENERAL.—Section 8545 of title 10, United
25 States Code, is amended—

1 (1) in subsection (a), by adding at the end the
2 following new paragraph:

3 “(3) The Secretary may permit an officer or
4 unlicensed mariner of the United States Merchant
5 Marine to receive instruction at the Naval Post-
6 graduate School.”;

7 (2) in subsection (b)(1), by adding at the end
8 the following new sentence: “The Secretary of
9 Transportation shall bear the cost of the instruction
10 received by officers and unlicensed mariners of the
11 United States Merchant Marine detailed for that in-
12 struction.”; and

13 (3) in subsection (c), by inserting “, and offi-
14 cers and unlicensed mariners of the United States
15 Merchant Marine,” after “Coast Guard”.

16 (b) REPORT REQUIRED.—Not later than 180 days
17 after the date of enactment of this Act, the Secretary of
18 Transportation, in consultation with the Secretary of De-
19 fense, shall submit to Congress a report assessing what
20 matters relating to military training it would be beneficial
21 for mariners to study at the Naval Postgraduate School.

1 **SEC. 3673. REIMBURSEMENT OF QUALIFYING SPOUSE RELI-**
2 **CENSING COSTS AND BUSINESS COSTS.**

3 (a) IN GENERAL.—Chapter 521 of title 46, United
4 States Code, as amended by section 3671, is further
5 amended by adding at the end the following:

6 **“§ 52103. Reimbursement of qualifying spouse reli-**
7 **censing costs and business costs**

8 “(a) IN GENERAL.—The Secretary of Transportation
9 shall establish a program to reimburse an individual serv-
10 ing in the merchant marine of the United States for quali-
11 fied relicensing costs and qualified business costs of the
12 spouse of that individual when the individual relocates to
13 a new jurisdiction or geographic area as the result of a
14 reassignment as a result of service as a commissioned offi-
15 cer in the Navy Reserve (including the Strategic Sealift
16 Officer Program, Navy Reserve), the Coast Guard Re-
17 serve, or any other reserve component of the Armed Serv-
18 ices of the United States.

19 “(b) LIMITATIONS.—

20 “(1) RELICENSING.—Reimbursement provided
21 to a member under this subsection for qualified reli-
22 censing costs may not exceed \$1,000 in connection
23 with each relocation described in paragraph (1).

24 “(2) BUSINESS COSTS.—Reimbursement pro-
25 vided to a member under this subsection for quali-

1 fied business costs may not exceed \$1,000 in connec-
2 tion with each relocation described in paragraph (1).

3 “(3) DEADLINE.—No reimbursement may be
4 provided under this subsection for qualified reli-
5 censing costs or qualified business costs paid or in-
6 curred after December 31, 2036.

7 “(c) QUALIFIED RELICENSING COSTS.—In this sec-
8 tion, the term ‘qualified relicensing costs’ means costs, in-
9 cluding exam, continuing education courses, business li-
10 cense, permit, and registration fees, incurred by the
11 spouse of an individual serving in the merchant marine
12 of the United States if—

13 “(1) the spouse was licensed or certified in a
14 profession, or owned a business, during the individ-
15 ual’s previous assignment and requires a new profes-
16 sional license or certification, or business license or
17 permit, to engage in that profession in a new juris-
18 diction because of the individual’s relocation de-
19 scribed in paragraph (1); and

20 “(2) the costs were incurred or paid to secure
21 or maintain the professional license or certification,
22 or business license or permit, from the new jurisdic-
23 tion in connection with such relocation.

24 “(d) QUALIFIED BUSINESS COSTS.—In this section,
25 the term ‘qualified business costs’ means costs, including

1 moving services for equipment, equipment removal, new
2 equipment purchases, information technology expenses,
3 and inspection fees, incurred by the spouse of an indi-
4 vidual serving in the merchant marine of the United
5 States if—

6 “(1) the spouse owned a business during the in-
7 dividual’s previous assignment and the costs result
8 from the individual’s relocation described in para-
9 graph (1); and

10 “(2) the costs were incurred or paid to move
11 such business to a new location in connection with
12 such relocation.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for chapter 521 of title 46, United States Code, as amend-
15 ed by section 3671, is further amended by adding at the
16 end the following:

“52103. Reimbursement of qualifying spouse relicensing costs and business
costs.”.

17 **SEC. 3674. NONCOMPETITIVE ELIGIBILITY FOR FEDERAL**
18 **EMPLOYMENT.**

19 (a) AMENDMENT.—Chapter 521 of title 46, United
20 States Code, as amended by sections 3682 and 3684, is
21 amended by adding at the end the following:

1 **“§ 52104. Noncompetitive eligibility for Federal em-**
2 **ployment**

3 “(a) DEFINITION OF AGENCY.—In this section, the
4 term ‘agency’—

5 “(1) has the meaning given the term ‘Executive
6 agency’ in section 105 of title 5, United States Code;

7 “(2) includes the United States Postal Service
8 and the Postal Regulatory Commission; and

9 “(3) does not include the Government Account-
10 ability Office.

11 “(b) APPOINTMENT AUTHORITY.—The head of an
12 agency may appoint noncompetitively—

13 “(1) a graduate of the United States Merchant
14 Marine Academy who has met all of the require-
15 ments of their cadet commitment agreement under
16 section 51306 of title 46, United States Code; or

17 “(2) a credentialed United States Merchant
18 Mariner with an officer or rating endorsement who
19 has completed not less than 7 years of service
20 aboard a vessel of the United States.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
22 for chapter 521 of title 46, United States Code, as amend-
23 ed by sections 3682 and 3684, is amended by adding at
24 the end the following:

“52104. Noncompetitive eligibility for Federal employment.”.

1 **SEC. 3675. UNITED STATES MERCHANT MARINE CAREER**
2 **RETENTION PROGRAM.**

3 (a) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) it takes years of training and experience,
6 and costly license trainings, to earn mariner quali-
7 fications;

8 (2) with just around 12,000 merchant mariners
9 of the United States operating oceangoing vessels,
10 compared with China's more than 1,700,000 sea-
11 farers, the United States may not have a sufficient
12 number of mariners to fully power the strategic sea-
13 lift vessels necessary in a future prolonged conflict;

14 (3) the United States requires a qualified work-
15 force of sufficient size that is ready and available to
16 crew vessels of the United States for national de-
17 fense or national emergency; and

18 (4) a workforce committed to take all measures
19 possible to expand, develop, and protect the domestic
20 maritime workforce should—

21 (A) support a retention program to permit
22 credentialed merchant mariners to maintain
23 recency through a coordinated Federal pro-
24 gram, in coordination with maritime labor orga-
25 nizations; and

1 (B) implement civil service, workplace, and
2 hiring protections.

3 (b) AMENDMENT.—Chapter 521 of title 46, United
4 States Code, as amended by sections 3682, 3684, and
5 3685, is further amended by adding at the end the fol-
6 lowing:

7 **“§ 52105. United States Merchant Marine Career Re-**
8 **tention Program**

9 “(a) ESTABLISHMENT.—The Maritime Adminis-
10 trator shall establish a program, to be known as the
11 ‘United States Merchant Marine Career Retention Pro-
12 gram’, to ensure that a qualified workforce of sufficient
13 size is ready to crew strategic sealift vessels in the event
14 of a national defense or national emergency activation.
15 Through the United States Merchant Marine Career Re-
16 tention Program, the Maritime Administrator shall estab-
17 lish and administer mechanisms to register merchant
18 mariners and mariner employers to participate in the Pro-
19 gram.

20 “(b) IMPLEMENTATION.—The Maritime Adminis-
21 trator shall—

22 “(1) appoint a board of directors to oversee the
23 United States Merchant Marine Career Retention
24 Program;

1 “(2) appoint and facilitate a working group to
2 recommend policies, procedures, and a prioritization
3 matrix for the United States Merchant Marine Ca-
4 reer Retention Program, which shall be composed of
5 representatives from major stakeholders, including
6 maritime labor organizations, credentialed United
7 States Merchant Mariners, vessel owners, vessel op-
8 erators, the United States Merchant Marine Acad-
9 emy, State maritime academies, United States Mili-
10 tary Sealift Command, and other likely employers of
11 members of the United States Merchant Marine Ca-
12 reer Retention Program; and

13 “(3) submit to Congress an annual evaluation
14 of the United States Merchant Marine Career Re-
15 tention Program.

16 “(c) MEMBERSHIP IN UNITED STATES MERCHANT
17 MARINE CAREER RETENTION PROGRAM.—

18 “(1) IN GENERAL.—There shall be 2 paths to
19 enrollment in the United States Merchant Marine
20 Career Retention Program as described in para-
21 graphs (2) and (3).

22 “(2) MEMBERS WHO WORK ASHORE WHO HOLD
23 MARINER QUALIFICATIONS.—

24 “(A) OPPORTUNITIES.—The United States
25 Merchant Marine Career Retention Program

1 shall provide individuals who hold Coast Guard
2 issued mariner qualifications who work ashore
3 with an opportunity to maintain, or potentially
4 upgrade, their mariner qualifications and cre-
5 dentials by—

6 “(i) providing qualified service at sea
7 on vessels of the United States; and

8 “(ii) participating in compulsory
9 training.

10 “(B) STRUCTURE.—The United States
11 Merchant Marine Career Retention Program
12 shall be open for enrollment to both licensed
13 and unlicensed mariners and provide members
14 with an 8–3–1 schedule as follows:

15 “(i) 8 months shoreside employment.

16 “(ii) 3 months sailing employment de-
17 signed to ensure that members meet the
18 minimum sea-time requirement to main-
19 tain the credentials required by the Stand-
20 ards of Training, Certification, and
21 Watchkeeping certification, or, depending
22 on mariner and employer requirements,
23 more frequent, but shorter-duration sailing
24 assignments.

1 “(iii) 1 month vacation, which is in
2 addition to vacation provided by the shore-
3 side employer.

4 “(C) ASHORE EMPLOYERS.—

5 “(i) EMPLOYER OBLIGATIONS.—The
6 employer of a member of the United States
7 Merchant Marine Career Retention Pro-
8 gram described under this paragraph shall
9 grant the member—

10 “(I) an unpaid leave of absence
11 for the duration of the member’s
12 training, sailing, and vacation with
13 the United States Merchant Marine
14 Career Retention Program; and

15 “(II) the same or an equivalent
16 position with the employer when the
17 member returns from training, sailing,
18 or vacation with the United States
19 Merchant Marine Career Retention
20 Program.

21 “(D) SEA DAY ASSIGNMENTS.—The United
22 States Merchant Marine Career Retention Pro-
23 gram shall, with respect to members described
24 under this paragraph—

1 “(i) maintain records of each mem-
2 ber’s qualifications, sea time, and avail-
3 ability, and prioritize assignments on these
4 and other factors with the goal of maxi-
5 mizing the United States Merchant Marine
6 Career Retention Program readiness to
7 support strategic sealift;

8 “(ii) maintain a ‘job call’ program of-
9 fice that coordinates how jobs become
10 available for members from State maritime
11 academies, vessel operating companies,
12 maritime labor organizations, United
13 States Military Sealift Command, and
14 other organizations responsible for crewing
15 vessels of the United States of qualifying
16 tonnage or horsepower;

17 “(iii) establish partnerships with State
18 maritime academies and the United States
19 Military Sealift Command that aim to es-
20 tablish reliable crewing jobs with job cycles
21 that maximize the readiness of United
22 States Merchant Marine Career Retention
23 Program;

24 “(iv) dispatch members to fill avail-
25 able jobs, prioritizing maximizing readiness

1 for strategic sealift, taking into consider-
2 ation mariner availability and credentials,
3 sea time requirements to maintain mer-
4 chant mariner credentials, predicted pro-
5 gram demand for specific ratings, and ex-
6 pected expansion or contraction of the pro-
7 gram’s membership; and

8 “(v) coordinate with vessel operators
9 and labor organizations to ensure that
10 members in the United States Merchant
11 Marine Career Retention Program are
12 given opportunities to fulfill their sea time
13 and maintain the credentials required by
14 the Standards of Training, Certification,
15 and, Watchkeeping certification.

16 “(E) USERRA PROTECTIONS.—Members
17 of the United States Merchant Marine Career
18 Retention Program described under this para-
19 graph shall be entitled to protections and obli-
20 gations under chapter 43 of title 38 (commonly
21 known as the ‘Uniformed Services Employment
22 and Reemployment Rights Act’).

23 “(F) REQUIREMENT.—A member in the
24 United States Merchant Marine Career Reten-
25 tion Program described under this paragraph

1 may not fail to accept a sea day assignment
2 and remain in good standing with the Program,
3 unless a hardship exemption is provided by the
4 Maritime Administrator under subsection (e).

5 “(3) MEMBERS SERVING ON FOREIGN VES-
6 SELS.—

7 “(A) IN GENERAL.—The United States
8 Merchant Marine Career Retention Program
9 shall be open for enrollment to individuals
10 who—

11 “(i) hold Coast Guard issued mer-
12 chant mariner credentials required by the
13 Standards of Training, Certification, and
14 Watchkeeping Certification;

15 “(ii) have completed their service obli-
16 gations with respect to any previous enroll-
17 ment in a Federal or State maritime acad-
18 emy, if applicable; and

19 “(iii) are serving on a foreign vessel
20 (as defined in section 110) that is not
21 owned by a foreign entity of concern (as
22 that term is defined in section 3604 of the
23 SHIPS for America Act of 2026) or a ves-
24 sel registered under a registry of a foreign
25 country of concern or operated under the

1 authority of a foreign country of concern
2 (as that term is defined in such section
3 3604).

4 “(B) REQUIREMENT.—Members of the
5 United States Merchant Marine Career Reten-
6 tion Program described under this paragraph
7 shall maintain—

8 “(i) Standards of Training, Certifi-
9 cation, and Watchkeeping Certification
10 currency;

11 “(ii) a valid merchant mariner creden-
12 tial, unlimited as to horsepower or ton-
13 nage, issued by the United States Coast
14 Guard as an officer in the merchant ma-
15 rine of the United States, accompanied by
16 the appropriate national and international
17 endorsements and certifications required
18 by the Coast Guard for service aboard ves-
19 sels on domestic and international voyages,
20 without limitation;

21 “(iii) a valid transportation worker
22 identification credential;

23 “(iv) a Coast Guard medical certifi-
24 cate; and

1 “(v) classes and certifications de-
2 scribed in subparagraph (C).

3 “(C) CERTIFICATIONS.—The Adminis-
4 trator shall publish a list of classes and certifi-
5 cations required for individuals described in
6 subparagraph (A) to be eligible for the United
7 States Merchant Marine Career Retention Pro-
8 gram.

9 “(D) RULE OF CONSTRUCTION.—Nothing
10 in subparagraph (A) shall be construed to allow
11 the United States Coast Guard to prevent or
12 delay a merchant mariner who is otherwise eli-
13 gible from attaining a more advanced rank or
14 credential for Merchant Mariners sailing on for-
15 eign vessels.

16 “(E) USERRA PROTECTIONS.—Members
17 of the United States Merchant Marine Career
18 Retention Program described under this para-
19 graph shall be entitled to protections and obli-
20 gations under chapter 43 of title 38 (commonly
21 known as the ‘Uniformed Services Employment
22 and Reemployment Rights Act’).

23 “(d) ENFORCEMENT.—The Maritime Administrator
24 shall ensure all members of the Merchant Marine Career

1 Retention Program remain in good standing with the re-
2 quirements of the Program.

3 “(1) ENFORCEMENT.—Subject to paragraph
4 (2), members found to be in noncompliance with the
5 requirements of the Program shall—

6 “(A) have their reservist status terminated;
7 and

8 “(B) forfeit the protections provided under
9 chapter 43 of title 38 (commonly known as the
10 ‘Uniformed Services Employment and Reem-
11 ployment Rights Act’).

12 “(2) EXCEPTION.—In cases where the Maritime
13 Administrator determines a hardship exists, which
14 prevents the mariner from meeting the requirements
15 of the Program, the requirements of paragraph (1)
16 shall not apply.”.

17 (c) CLERICAL AMENDMENT.—The table of sections
18 for chapter 521 of title 46, United States Code, as amend-
19 ed by sections 3682, 3684, and 3685, is amended by add-
20 ing at the end the following:

“52105. United States Merchant Marine Career Retention Program.”.

21 **CHAPTER 2—WORKFORCE PIPELINE**

22 **SEC. 3676. MARITIME WORKFORCE PROMOTION AND RE-** 23 **CRUITMENT.**

24 Section 539A(a) of the Servicemember Quality of
25 Life Improvement and National Defense Authorization

1 Act for Fiscal Year 2025 (Public Law 118–159) is amend-
2 ed by striking “the heads of such other Federal agencies
3 as the Secretary determines appropriate” and inserting
4 “the Maritime Security Board”.

5 **SEC. 3677. CENTERS OF EXCELLENCE FOR DOMESTIC MARI-**
6 **TIME WORKFORCE TRAINING AND EDU-**
7 **CATION.**

8 Section 51706(c)(1)(B)(iii) of title 46, United States
9 Code, is amended by striking “nonprofit entity” and in-
10 serting “entity”.

11 **SEC. 3678. MARITIME CAREER AND TECHNICAL EDUCATION**
12 **ADVISORY COMMITTEE.**

13 (a) DEFINITIONS.—In this section:

14 (1) ADMINISTRATOR.—The term “Adminis-
15 trator” means the Maritime Administrator.

16 (2) ADVISORY COMMITTEE.—The term “Advi-
17 sory Committee” means the Maritime Career and
18 Technical Education Advisory Committee established
19 under subsection (b).

20 (b) ADVISORY COMMITTEE PLAN AND ESTABLISH-
21 MENT.—

22 (1) PLAN.—Not later than 180 days after the
23 date of enactment of this Act, the Administrator
24 shall develop a plan, and notify Congress of such

1 plan, to establish a Maritime Career and Technical
2 Education Advisory Committee to—

3 (A) bring representatives of maritime in-
4 dustrial base employers and education providers
5 together to identify joint opportunities to train
6 needed workers for maritime careers; and

7 (B) develop and disperse best practices and
8 recommendations for the improvement of ship-
9 building education and training programs, naval
10 architecture education programs, and merchant
11 marine training and certification programs.

12 (2) ESTABLISHMENT.—Not later than 1 year
13 after the date of enactment of this Act, the Adminis-
14 trator shall establish the Advisory Committee.

15 (c) MEMBERSHIP.—

16 (1) ADMINISTRATOR.—The Advisory Committee
17 shall include the Administrator (or a delegate of the
18 Administrator) who shall serve as Chair of the Advi-
19 sory Committee.

20 (2) REPRESENTATIVES.—The Advisory Com-
21 mittee shall be composed of representatives from
22 each of the following, to be appointed the Adminis-
23 trator:

24 (A) Maritime education, including rep-
25 resentatives from—

1 (i) the Centers of Excellence for Do-
2 mestic Maritime Workforce Training and
3 Education designated by the Maritime Ad-
4 ministration, taking into consideration—

5 (I) geographic diversity;

6 (II) the rate of employment after
7 graduation;

8 (III) training or skillset diversity;
9 and

10 (IV) other qualities as deter-
11 mined by the Administrator;

12 (ii) the United States Naval Sea
13 Cadet Corps;

14 (iii) kindergarten through grade 12
15 maritime education programs designated
16 by the Maritime Administration;

17 (iv) the oceanographic science commu-
18 nity, including from a University-National
19 Oceanographic Laboratory System institu-
20 tion; and

21 (v) institutions of higher education.

22 (B) The maritime workforce, including
23 representatives from—

1 (i) skilled workers representing a wide
2 swath of the career and technical maritime
3 industry both onshore and offshore;

4 (ii) career and technical education cer-
5 tified instructors; and

6 (iii) maritime labor organizations.

7 (C) Maritime industry, including represent-
8 atives from—

9 (i) shipbuilding, ship repair, and ship-
10 yard industry stakeholders;

11 (ii) maritime industrial base coali-
12 tions;

13 (iii) shipping industry stakeholders;
14 and

15 (iv) owners and operators of vessels of
16 the United States.

17 (D) Technical nonprofit organizations with
18 expertise in the maritime industry, including
19 representatives from—

20 (i) think tanks;

21 (ii) recognized classification societies;

22 and

23 (iii) professional societies.

24 (E) The Federal Government, including
25 representatives from—

- 1 (i) the Department of Education;
- 2 (ii) the Department of Labor;
- 3 (iii) the Department of Transpor-
- 4 tation;
- 5 (iv) the Department of the Navy;
- 6 (v) the United States Coast Guard;
- 7 (vi) the National Oceanic and Atmos-
- 8 pheric Administration;
- 9 (vii) the Army Corps of Engineers;
- 10 and
- 11 (viii) the Federal Maritime Commis-
- 12 sion.

13 (F) Any other representatives that the
14 Maritime Administrator determines appropriate
15 to appoint.

16 (d) MEETINGS.—

17 (1) IN GENERAL.—The Advisory Committee
18 shall meet not less often than annually.

19 (2) QUORUM ESTABLISHED.—Two thirds of all
20 members appointed by the Administrator under sub-
21 section (c) shall constitute a quorum for a meeting
22 of the Advisory Committee.

23 (3) WORKING GROUPS.—The Advisory Com-
24 mittee shall include working groups that shall meet
25 not less often than quarterly each year.

1 (e) FACA.—Chapter 10 of title 5, United States
2 Code, shall apply to the Advisory Committee.

3 (f) DEVELOPMENT OF CURRICULA.—Consistent with
4 the purposes of the Advisory Committee established in
5 subsection (b) and applicable law (including regulations),
6 the Advisory Committee shall recommend curricula for key
7 skills for maritime professionals and make such curricula
8 publicly available to institutions of higher education, ca-
9 reer and technical education schools, and State maritime
10 academies.

11 (g) REPORTING.—The Advisory Committee shall sub-
12 mit to the appropriate committees of Congress and the
13 Maritime Security Board and publish on the website of
14 the Maritime Administration, an annual report that in-
15 cludes best practices and policy recommendations, as de-
16 scribed in subsection (b).

17 (h) RULE OF CONSTRUCTION.—Nothing in this sec-
18 tion shall be construed to create new regulatory authority
19 or supersede existing law (including regulations) as of the
20 day before the date of enactment of this Act, relating to
21 shipbuilding education and training programs, naval ar-
22 chitecture education programs, and merchant marine
23 training and certification programs.

1 **SEC. 3679. MILITARY CANDIDATES TO MARINER CAREERS**
2 **RECRUITMENT EXCHANGE.**

3 (a) DUTIES OF SECRETARY OF DEFENSE.—The Sec-
4 retary of Defense shall—

5 (1) encourage and incentivize military recruiters
6 to recommend the United States Department of
7 Transportation Maritime Administration to potential
8 recruits who do not qualify for military service in the
9 Armed Forces; and

10 (2) establish a mechanism for military recruit-
11 ers to introduce recruits described in paragraph (1)
12 who are interested in maritime service to representa-
13 tives from the Maritime Administration, in accord-
14 ance with the procedures established under sub-
15 section (b).

16 (b) DUTIES OF THE MARITIME ADMINISTRATOR.—
17 The Maritime Administrator shall—

18 (1) establish a mechanism to receive recruit-
19 ment referrals from military recruiters;

20 (2) provide hand-off services to connect recruits
21 with educational resources and institutions, recog-
22 nized Maritime Centers of Excellence, eligible mari-
23 time industry employers, and other maritime indus-
24 try career services, as appropriate;

25 (3) track the number of referrals from the De-
26 partment of Defense; and

1 (4) track the number of recruits who enroll in
2 maritime industry programs, to the extent prac-
3 ticable.

4 (c) REPORTING REQUIREMENT.—

5 (1) BRIEFING ON THE IMPLEMENTATION
6 STRATEGY.—Not later than 90 days after the date
7 of enactment of this Act, the Maritime Adminis-
8 trator, in coordination with the Secretary of De-
9 fense, shall submit a briefing to the appropriate
10 committees of Congress about a strategy for imple-
11 menting the activities required under this section,
12 including—

13 (A) a timeline for implementation; and

14 (B) the identification of the Department of
15 Defense recruiter incentives and training re-
16 quired for maximum utility in carrying out such
17 activities.

18 (2) ANNUAL REPORT ON PROGRAM EFFICACY.—

19 One year after the date of enactment of this Act,
20 and annually thereafter, the Maritime Adminis-
21 trator, in coordination with the Secretary of De-
22 fense, shall submit a report to the appropriate com-
23 mittees of Congress on the efficacy and utility of the
24 activities carried out under this section, including—

1 (A) the number of Department of Defense
2 referrals to the Maritime Administration;

3 (B) the number of Maritime Administra-
4 tion hand-offs to the maritime industry;

5 (C) an assessment of the efficacy of the ac-
6 tivities carried out under this section; and

7 (D) challenges and recommendations relat-
8 ing to such activities.

9 **SEC. 3680. MARITIME WORKER DATA COLLECTION.**

10 (a) PUBLICATION OF REPORT.—The Maritime Ad-
11 ministrator shall publish an biennial report on the state
12 of the merchant mariner workforce.

13 (b) COMPLETION OF REPORT.—The Maritime Ad-
14 ministrator shall complete the biennial report required
15 under subsection (a) or enter into a contract with another
16 entity to complete the report.

17 (c) CONTENT OF REPORT.—The biennial report re-
18 quired under subsection (a) shall include, at minimum—

19 (1) a count of United States Merchant Mari-
20 ners with valid merchant mariner credentials and
21 credentials in continuity endorsement;

22 (2) a count of inactive but credentialed and for-
23 merly credentialed United States Merchant Mari-
24 ners, to the extent practicable, and an evaluation
25 of—

1 (A) the challenges to identifying such indi-
2 viduals;

3 (B) opportunities to partner with Federal,
4 State, local, and non-government entities to
5 identify such individuals; and

6 (C) an action plan of how to implement the
7 opportunities described under subparagraph
8 (B);

9 (3) a count of United States mariners and for-
10 eign workers employed on vessels, rigs, platforms,
11 and other vehicles or structures off the coast of the
12 United States and an evaluation of the percentage of
13 United States and foreign workers employed on—

14 (A) coastwise-endorsed vessels; and

15 (B) vessels of the United States which do
16 not have a coastwise endorsement;

17 (4) a listing of actively operating vessels of the
18 United States;

19 (5) a report of merchant mariner requirements
20 needed in the event of a national defense sealift op-
21 eration and any gaps identified in quantity and qual-
22 ity, and other variables of concern, as determined by
23 the Administrator;

1 (6) a general outlook for the future of the mer-
2 chant mariner industry and potential gaps or sur-
3 pluses of merchant mariners;

4 (7) identification of any concerns in the
5 credentialing of merchant mariners, which may in-
6 clude general processing issues, shortage of training
7 providers or instructors, and barriers to entry due to
8 costs to the economically disadvantaged; and

9 (8) recommendations, based on data collected,
10 on ways to—

11 (A) improve retention of existing merchant
12 mariners;

13 (B) create expedited pathways for mari-
14 ners with expired credentials to renew their cre-
15 dentials; and

16 (C) encourage new merchant mariners to
17 enter the industry.

18 (d) ACCESSIBILITY OF DATA.—

19 (1) IN GENERAL.—Except as provided in para-
20 graph (2), the Maritime Administrator, and any au-
21 thorized agent of the Maritime Administrator, shall
22 have full access to available Coast Guard mariner
23 credentialing data, in a manner that ensures the
24 protection of personally identifiable information, in

1 order to complete the report required under sub-
2 section (a).

3 (2) EXCEPTION.—The Maritime Administrator,
4 and any authorized agent of the Maritime Adminis-
5 trator, may not have access to confidential medical
6 information pursuant to paragraph (1).

7 **SEC. 3681. MILITARY TO MARITIME TRANSITION.**

8 (a) RECOMMENDATIONS REQUIRED.—Not later than
9 180 days after the date of enactment of this Act, the Sec-
10 retary of Defense, in consultation with the Secretary of
11 the Navy, the Secretary of the Air Force, the Secretary
12 of the Army, the Secretary of the department in which
13 the Coast Guard is operating, the Maritime Security
14 Board, the Department of Veterans Affairs, and the De-
15 partment of Labor, shall submit a report to the appro-
16 priate committees of Congress containing—

17 (1) recommendations about how to increase and
18 improve opportunities for transitioning
19 servicemembers to secure employment in the mari-
20 time industry at sea and shoreside; and

21 (2) a plan to implement those recommenda-
22 tions.

23 (b) CONSIDERATIONS.—In carrying out subsection
24 (a), the Secretary of Defense shall—

1 (1) identify barriers that servicemembers face
2 when trying to transition to the United States mari-
3 time industry, including the merchant marines, ship-
4 building, ship repair, and shipping;

5 (2) consider opportunities to improve, expedite,
6 and alleviate the burdens on servicemembers
7 transitioning to the maritime industry, including ef-
8 forts to—

9 (A) inform transitioning servicemembers of
10 employment opportunities in the United States
11 maritime industry;

12 (B) assist transitioning servicemembers in
13 determining how their military credentials and
14 experience translate to credentialed civilian em-
15 ployment in the maritime industry;

16 (C) increase the establishment and uptake
17 of accelerated or bridge programs to assist sep-
18 arating members of the Armed Forces in trans-
19 lating military credentials and experience into
20 maritime industry credentials and employment;

21 (D) increase the availability and accessi-
22 bility of preparatory activities under the
23 SkillBridge program established under section
24 1143(e) of title 10, United States Code, in the
25 United States maritime industry;

1 (E) incorporate the maritime industry in
2 the Transition Assistance Program, as de-
3 scribed in chapter 58 of title 10, United States
4 Code; and

5 (F) enhance the activities carried out pur-
6 suant to the Military to Mariners Act of 2022
7 (section 11514 of division K of the James M.
8 Inhofe National Defense Authorization Act for
9 Fiscal Year 2023 (Public Law 117–263)); and
10 (3) specifically consider the transition of
11 servicemembers to employment in the shipbuilding
12 and ship repair maritime industries.

13 **SEC. 3682. EARLY MARITIME EDUCATION AND YOUTH IN-**
14 **VOLVEMENT.**

15 (a) SECRETARY OF THE NAVY BUDGET REQUEST.—
16 In the Secretary of the Navy’s annual budget submission
17 to Congress, the Secretary of the Navy shall include, as
18 a distinct item, the funding request for the United States
19 Naval Sea Cadet Corps.

20 (b) ENGAGEMENT WITH ELEMENTARY SCHOOL AND
21 SECONDARY SCHOOL STUDENTS.—The Maritime Admin-
22 istrator shall encourage designated Centers of Excellence
23 for Domestic Maritime Workforce Training and Education
24 to engage with students in kindergarten through grade 12.

1 **SEC. 3683. INTERNATIONAL SCHOLARSHIP FOR MARINER**
2 **AND NAVAL ARCHITECTURE EXCHANGES.**

3 (a) IN GENERAL.—The Maritime Administrator shall
4 establish an international exchange program for mariners,
5 naval architects, and marine engineers between the United
6 States and countries described in subsection (b).

7 (b) ELIGIBLE PARTICIPANTS.—In carrying out the
8 program under this section, the Administrator shall limit
9 participation to United States citizens and citizens of—

10 (1) member countries of NATO;

11 (2) treaty allies of the United States; and

12 (3) major non-NATO allies of the United
13 States.

14 (c) PLACEMENTS.—In carrying out the program
15 under this section, the Administrator shall seek corporate
16 and government partners for placement of eligible partici-
17 pants of the program.

18 **CHAPTER 3—UNITED STATES MERCHANT**
19 **MARINE ACADEMY AND STATE MARI-**
20 **TIME ACADEMIES**

21 **SEC. 3684. UNITED STATES MERCHANT MARINE ACADEMY.**

22 (a) SENSE OF CONGRESS.—It is the sense of Con-
23 gress that—

24 (1) the United States Merchant Marine Acad-
25 emy, one of our Nation's 5 Federal service acad-
26 emies, is vital to our national security, and modern-

1 izing the Academy’s aging infrastructure and invest-
2 ing in faculty and students must be congressional
3 priorities;

4 (2) sufficient funding must be provided to en-
5 able the maximum student enrollment that the cam-
6 pus infrastructure of the United States Merchant
7 Marine Academy can support; and

8 (3) considering the Academy’s role as a co-
9 equal military service academy, the United States
10 Merchant Marine Academy should be included in the
11 rotation of presidential attendance at graduations.

12 (b) CAMPUS MODERNIZATION PLAN.—Chapter 513
13 of title 46, United States Code, is amended by adding at
14 the end the following:

15 **“§ 51329. Campus modernization plan**

16 “(a) IN GENERAL.—Not later than 30 days after the
17 date of enactment of this section, the Secretary shall im-
18 plement the Department of Transportation’s 2025 Cam-
19 pus Modernization Plan for the phased rehabilitation,
20 modernization, and construction of facilities and infra-
21 structure at the United States Merchant Marine Academy.

22 “(b) REQUIREMENTS.—For the duration of the Cam-
23 pus Modernization Plan implemented under subsection
24 (a), the Administrator shall ensure that the Academy re-
25 mains fully operational.

1 “(c) REPORTING.—The Secretary of Transportation
2 shall provide a briefing once every 6 months to the appro-
3 priate committees of Congress on the status of the imple-
4 mentation of the 2025 Campus Modernization Plan, as
5 provided under subsection (a).”.

6 (c) REPORT ON ENROLLMENT.—Not later than 180
7 days after the date of enactment of this Act, the Maritime
8 Administrator shall submit a report to the appropriate
9 committees of Congress identifying the additional re-
10 sources needed to increase enrollment at the United States
11 Merchant Marine Academy.

12 **SEC. 3685. STATE MARITIME ACADEMIES.**

13 (a) IN GENERAL.—Not later than 1 year after the
14 date of enactment of this Act, the Maritime Administrator
15 shall submit a report to Congress containing the results
16 of a study to evaluate the additional resources needed to
17 allow State maritime academies to increase enrollment and
18 produce additional mariners.

19 (b) NEED FOR ADDITIONAL STATE MARITIME ACAD-
20 EMIES.—Such study shall consider whether there is a need
21 for additional State maritime academies in States that do
22 not operate a maritime academy.

1 **SEC. 3686. ENFORCEMENT OF SERVICE OBLIGATION RE-**
2 **QUIREMENTS.**

3 (a) IN GENERAL.—The Maritime Administrator shall
4 ensure that—

5 (1) each citizen who is appointed as a cadet at
6 the United States Merchant Marine Academy and
7 signs a cadet commitment agreement under section
8 51306 of title 46, United States Code, meets the
9 service obligation requirements of that agreement;
10 and

11 (2) each individual that signs a student incen-
12 tive payment agreement under section 51509 of title
13 46, United States Code, meets the service obligation
14 requirements under that agreement.

15 (b) REPORTING REQUIREMENT.—The Maritime Ad-
16 ministrator shall establish an electronic system through
17 which each individual with a service obligation under such
18 section 51306 or 51509 (referred to in this section as a
19 “service-obligated mariner”) shall annually demonstrate
20 that they are meeting their service obligation or have a
21 valid deferment consistent with section 51310 of title 46,
22 United States Code, or section 51510 of title 46, United
23 States Code, as applicable.

24 (c) NOTIFICATION OF VIOLATION.—The Maritime
25 Administrator shall transmit a written notice to each serv-
26 ice-obligated mariner who fails to meet the reporting re-

1 quirement of subsection (b), notifying such individual of
2 the applicable penalties established under section 51306
3 of title 46, United States Code, or section 51509 of title
4 46, United States Code, for failure to carry out the appli-
5 cable service requirements, including cost recovery.

6 (d) REPORT TO CONGRESS.—Not later than 180 days
7 after the date of enactment of this section, and annually
8 thereafter, the Maritime Administrator shall submit to the
9 appropriate committees of Congress a report on the status
10 of all service-obligated mariners, which shall include—

11 (1) information about how each service-obli-
12 gated mariner is meeting their service obligation re-
13 quirement, which shall be based on the results of the
14 data collected under subsection (b);

15 (2) the number of service-obligated mariners
16 who have not met their service obligation and have
17 not complied with the reporting requirement under
18 subsection (b); and

19 (3) the number of actions taken by the Mari-
20 time Administrator under sections 51306(b),
21 51306(d), 51306(f), and 51509(g) to recover costs
22 from service-obligated mariners who have not dem-
23 onstrated that they have met their service obligation
24 requirements.

1 **SEC. 3687. FUEL FUNDING FOR TRAINING SHIPS OPERATED**
2 **BY STATE MARITIME ACADEMIES.**

3 (a) CONFORMING AMENDMENT.—Section 51504 of
4 title 46, United States Code, is amended by striking sub-
5 section (f) and inserting the following:

6 “(f) FUEL COSTS.—Subject to the availability of ap-
7 propriations, the Secretary shall pay to each State mari-
8 time academy the costs of fuel used by a vessel provided
9 under this section while used for training in accordance
10 with section 51512.”.

11 (b) AMENDMENT.—Chapter 515 of title 46, United
12 States Code, is amended by adding at the end the fol-
13 lowing:

14 **“§ 51512. Funding for training ships operated by**
15 **State maritime academies**

16 “(a) FUEL FUNDING.—

17 “(1) IN GENERAL.—Subject to the availability
18 of appropriations, the Secretary shall pay to each
19 State maritime academy the costs of fuel used by a
20 vessel that is loaned to the State maritime academy
21 in accordance with section 51504 while used for
22 training.

23 “(2) MAXIMUM AMOUNTS.—The amount of the
24 payment to a State maritime academy under sub-
25 section (a) may not exceed \$20,000,000 for each of
26 fiscal years 2027 through 2036.

1 “(3) PROHIBITION.—Maritime academies that
2 receive funding under subsection (a) may not—

3 “(A) profit from charging cadets to go to
4 sea for their licensing when using federally pro-
5 vided fuel; or

6 “(B) utilize the vessel as housing for stu-
7 dents outside of seasonal training cruises, un-
8 less students elect voluntarily to live aboard the
9 vessel.

10 “(4) REQUIREMENT.—Each State maritime
11 academy that receives fuel costs under this section
12 shall offer billets for liaison officers from each mili-
13 tary service during the time such vessel is provided
14 to that State maritime academy.

15 “(b) CREW.—

16 “(1) IN GENERAL.—Each State maritime acad-
17 emy shall make crew positions available on a vessel
18 that is loaned to the State maritime academy for
19 mariners enrolled in the United States Merchant
20 Marine Career Retention Program established under
21 section 52105.

22 “(2) CREW FUNDING.—For each crew slot filled
23 by a mariner enrolled in the career retention pro-
24 gram, as provided for under paragraph (1), the Sec-

1 retary shall pay the crew costs for that mariner,
2 subject to the availability of appropriations.”.

3 (c) CLERICAL AMENDMENT.—The table of sections
4 for chapter 515 of title 46, United States Code, is amend-
5 ed by adding at the end the following:

“51512. Fuel funding for training ships operated by State maritime acad-
emies.”.

6 **SEC. 3688. STATE MARITIME ACADEMY SEA TERM SCHOL-**
7 **ARSHIP PROGRAMS.**

8 (a) IN GENERAL.—Chapter 515 of title 46, United
9 States Code, as amended by section 3700, is further
10 amended by adding at the end the following:

11 **“§ 51513. State Maritime Academy Sea Term Scholar-**
12 **ship Programs**

13 “(a) IN GENERAL.—The Maritime Administrator
14 shall work with private entities in the maritime industry
15 to establish a scholarship program—

16 “(1) for students at State maritime academies
17 to offset expenses associated with completion of a
18 summer sea term to receive sea-time required to
19 earn a Coast Guard license; and

20 “(2) which is entirely or predominantly funded
21 through contributions from a private entity.

22 “(b) CONTRIBUTED FUNDS.—The Maritime Admin-
23 istrator shall enter into a cooperative agreement, or other
24 agreement, with private entities in the maritime industry

1 to accept funding from private entities for the purpose of
2 establishing such a scholarship program. The cooperative
3 agreement may include any terms considered necessary by
4 the Maritime Administrator.

5 “(c) PRIVILEGES.—The Maritime Administrator may
6 provide certain privileges to a private entity who contrib-
7 utes funds for a scholarship program under this section,
8 including opportunities to provide information about em-
9 ployment opportunities with the private entity to students
10 enrolled in the scholarship program.

11 “(d) STRUCTURE.—In establishing a scholarship pro-
12 gram to offset expenses associated with a summer sea
13 term—

14 “(1) the Maritime Administrator may enter into
15 an agreement with a student at a State maritime
16 academy that has an agreement with the Secretary
17 of Transportation under section 51505 of this title,
18 to offset expenses associated with completion of a
19 summer sea term; or

20 “(2) the Maritime Administrator may enter into
21 an agreement with a State maritime academy that
22 has an agreement with the Secretary of Transpor-
23 tation under section 51505 of this title, to offset ex-
24 penses for all students who participate in a summer
25 sea term program.

1 “(e) RELATIONSHIP TO FINANCIAL ASSISTANCE
2 PROGRAMS.—Recognizing the need for licensed merchant
3 mariners, the Maritime Administrator shall encourage
4 participants of the financial assistance programs under
5 part C of this subtitle, to enter into agreements under this
6 section to establish scholarship programs to offset ex-
7 penses associated with summer sea term.

8 “(f) REQUIREMENTS FOR STUDENTS.—Any student
9 who benefits from a scholarship program under this sec-
10 tion shall enter into an agreement with the Maritime Ad-
11 ministrator which requires the student to—

12 “(1) complete the course of instruction at the
13 academy the individual is attending;

14 “(2) obtain a merchant mariner license, without
15 limitation as to tonnage or horsepower, from the
16 Coast Guard as an officer in the merchant marine
17 of the United States, accompanied by the appro-
18 priate national and international endorsements and
19 certification required by the Coast Guard for service
20 aboard vessels on domestic and international voy-
21 ages, without limitation, within 3 months of comple-
22 tion of the course of instruction at the academy the
23 individual is attending;

24 “(3) serve in a position that supports the for-
25 eign and domestic commerce and the national de-

1 fense of the United States for at least 1 year after
2 graduation from the academy—

3 “(A) as a merchant marine officer on a
4 documented vessel or a vessel owned and oper-
5 ated by the United States Government or by a
6 State; or

7 “(B) as a commissioned officer on active
8 duty in an Armed Force of the United States,
9 as a commissioned officer in the National Oce-
10 anic and Atmospheric Administration, or in
11 other maritime-related Federal employment
12 which serves the national security interests of
13 the United States, as determined by the Mari-
14 time Administrator; and

15 “(4) report to the Maritime Administrator on
16 compliance with this subsection.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
18 for chapter 515 of title 46, United States Code, as amend-
19 ed by section 3700, is further amended by adding at the
20 end the following:

“51513. State Maritime Academy Sea Term Scholarship Programs.”.

21 **SEC. 3689. NAVAL JOINT EXERCISE INVOLVEMENT FOR**
22 **TRAINING SHIPS OPERATED BY STATE MARI-**
23 **TIME ACADEMIES.**

24 (a) IN GENERAL.—The Secretary of the Navy, in co-
25 ordination with the Maritime Administrator, shall, to the

1 extent practicable, include in national and international
2 maritime warfare exercises not less than 1 training vessel
3 used by a State maritime academy and maintained pursu-
4 ant to section 51504 of title 46, United States Code, in
5 order to provide an opportunity to integrate merchant
6 mariners with naval and military operations.

7 (b) PARTICIPANTS.—Subject to guidance issued by
8 the Secretary of the Navy and Maritime Administrator,
9 an individual may participate in the exercise aboard that
10 training ship if the individual is—

11 (1) a licensed merchant mariner; or

12 (2) a student from the United States Merchant
13 Marine Academy, a State maritime academy, a Cen-
14 ter of Excellence for Domestic Maritime Workforce
15 Training and Education, or a merchant marine cen-
16 ter established under section 147 of the Workforce
17 Innovation and Opportunity Act (29 U.S.C. 3197),
18 as added by section 3677 of this title.

19 (c) PRIORITY.—In selecting participants under sub-
20 section (b) the Administrator shall give priority to stu-
21 dents described in paragraph (2) of subsection (b).

22 (d) VESSELS.—In coordination with the Secretary of
23 the Navy, the Maritime Administrator shall rotate train-
24 ing vessels to ensure that each training vessel described

1 in subsection (a) has an equal opportunity to participate
2 in such exercises.

3 **CHAPTER 4—MARITIME CREDENTIALING**
4 **MODERNIZATION**

5 **SEC. 3690. MERCHANT MARINER CREDENTIALING MOD-**
6 **ERNIZATION.**

7 (a) MERCHANT MARINER CREDENTIALING MOD-
8 ERNIZATION.—The Secretary of the department in which
9 the Coast Guard is operating shall carry out necessary
10 system and process changes to carry out the activities de-
11 scribed in paragraphs (1) through (4).

12 (1) LICENSING, CERTIFICATION, AND DOCU-
13 MENTATION DATABASE.—Replacement of the mer-
14 chant mariner licensing, certification, and docu-
15 mentation database such that the database allows
16 for—

17 (A) the electronic submission of merchant
18 mariner credential applications (including sea
19 service, professional qualifications, course com-
20 pletion data, safety and suitability, and medical
21 records) and course approval requests;

22 (B) direct submission of sea service infor-
23 mation from employers and course completion
24 data from training providers and other stake-
25 holders to provide data securely and directly so

1 that documentation does not need to be sub-
2 mitted later by the merchant mariner; and

3 (C) the electronic processing and evalua-
4 tion of information for the issuance of creden-
5 tials and course approvals, including the capa-
6 bility for the Secretary to complete remote eval-
7 uation of the information submitted.

8 (2) SYSTEM FOR DATA EXCHANGE.—Implemen-
9 tation of a system that provides for the exchange of
10 data with government agencies and industry stake-
11 holders, which provides the Maritime Administration
12 and other agencies, as appropriate, anonymized and
13 aggregated data showing the following:

14 (A) The total amount of sea service for in-
15 dividuals with a valid merchant mariner creden-
16 tial.

17 (B) The number of credentialed mariners
18 by individual rating and the capability to filter
19 data by endorsements.

20 (C) Demographic information, including
21 age, gender, ethnicity, and address or location.

22 (D) National Maritime Center processing
23 times.

24 (E) The number of Coast Guard approved
25 training providers, and, for each such training

1 provider, the number of courses taken by indi-
2 viduals who have, or who are applying for, a
3 merchant mariner credential from that training
4 provider.

5 (3) PUBLIC FACING PORTAL.—Implementation
6 of a system that includes a public facing portal in
7 the .gov domain instead of the .mil domain to accept
8 merchant mariner applicant information, including
9 credential applications, course completion data, and
10 course approval requests, that complies with the re-
11 quirements for cybersecurity and privacy information
12 of electronic systems in the .gov domain.

13 (4) EXAMINATION PROCESSES.—Upgrading the
14 examination processes for merchant mariner exami-
15 nations, by—

16 (A) implementing an examination regime
17 that provides for electronic and third party ad-
18 ministration of examinations;

19 (B) reassessing the content of tests
20 through the development of job task analysis
21 for all credentials; and

22 (C) implementing a robust system to ana-
23 lyze examination data.

24 (b) REPORT.—The Secretary of the department in
25 which the Coast Guard is operating shall submit—

1 (1) an annual report to the Committee on Com-
2 merce, Science, and Transportation, the Committee
3 on Appropriations, and the Committee on Armed
4 Services of the Senate, and the Committee on
5 Transportation and Infrastructure, the Committee
6 on Appropriations, and the Committee on Armed
7 Services of the House of Representatives, on the
8 progress of the system and process changes required
9 under subsection (a); and

10 (2) a final report to those Committees 1 year
11 after full operating capability of the complete sys-
12 tem, comprised of all 4 systems required under sub-
13 section (a).

14 **SEC. 3691. INSPECTIONS FOR TRANSPORTATION SECURITY.**

15 (a) IN GENERAL.—Chapter 81 of part F of subtitle
16 II of title 46, United States Code, is amended by adding
17 at the end the following:

18 **“§ 8109. Inspections for transportation security**

19 “(a) IN GENERAL.—

20 “(1) INSPECTION.—The Secretary shall periodi-
21 cally, but not less than once annually, inspect each
22 covered facility to verify that the owner or operator
23 of the covered facility has a valid exemption under
24 subsection (c) of section 30 of the Outer Continental
25 Shelf Lands Act (43 U.S.C. 1356(c)).

1 “(2) COVERED FACILITY.—In this subsection,
2 the term ‘covered facility’ means a vessel, rig, plat-
3 form, or other vehicle or structure that, but for an
4 exemption under subsection (c) of section 30 of the
5 Outer Continental Shelf Lands Act (43 U.S.C.
6 1356(c)) would otherwise be subject to the regula-
7 tions under subsection (a)(3) of such section.

8 “(b) TRANSPORTATION SECURITY CARD.—During an
9 inspection under this section, the Secretary shall confirm
10 that all crew members that are required to have a trans-
11 portation worker identification credential pursuant to sec-
12 tion 70105 have such a credential.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for chapter 81 of title 46, United States Code, is amended
15 by adding at the end the following:

 “8109. Inspections for transportation security.”.

16 **SEC. 3692. RENEWAL OF MERCHANT MARINER LICENSES**
17 **AND DOCUMENTS.**

18 Section 7507 of title 46, United States Code, is
19 amended by adding at the end the following:

20 “(d) RENEWAL.—With respect to any renewal of a
21 valid merchant mariner credential issued under this part
22 that is not an extension under subsection (a) or (b), the
23 validity period of such credential shall begin the day after
24 the expiration of the current credential.”.

1 **SEC. 3693. REACTIVATION OF EXPIRED LICENSE.**

2 (a) IN GENERAL.—Chapter 75 of subtitle II of part
3 E, of title 46, United States Code, is amended by adding
4 at the end the following:

5 **“§ 7512. Authority for reactivation of United States**
6 **Merchant Mariner credentials**

7 “(a) LICENSES AND CERTIFICATES OF REGISTRY.—
8 Notwithstanding sections 7106 and 7107, the Secretary
9 of the department in which the Coast Guard is operating
10 may renew for not more than 2 years an expired license
11 or certificate of registry issued for an individual under
12 chapter 71 if the Secretary determines that the renewal
13 is in response to a national emergency declared by Con-
14 gress or declared under section 201 of the National Emer-
15 gencies Act (50 U.S.C. 1621), as deemed necessary by the
16 Secretary.

17 “(b) MERCHANT MARINER DOCUMENTS.—Notwith-
18 standing section 7302(g), the Secretary may renew for not
19 more than 2 years an expiring merchant mariner’s docu-
20 ment issued for an individual under chapter 73 if the Sec-
21 retary determines that the renewal is in response to a na-
22 tional emergency proclaimed by the President or declared
23 by Congress, as deemed necessary by the Secretary.

24 “(c) MANNER OF RENEWAL.—Any renewal granted
25 under this section may be granted to individual seamen
26 or a specifically identified group of seamen.”.

- 1 (b) CLERICAL AMENDMENT.—The table of sections
- 2 for chapter 75 of title 46, United States Code, is amended
- 3 by adding at the end the following:

“7512. Authority for reactivation of United States Merchant Mariner creden-
tials.”.

