THE WHITE HOUSE

AMERICA'S MARITIME ACTION PLAN

FEBRUARY 2026

This page intentionally left blank.

"We will soon revitalize our once-great shipyards with hundreds of billions of dollars in new investments and people coming from all around the world...to build ships in America. We want them built in America."

Donald J. Trump

45th and 47th President of the United States of America

Table of Contents

Introduction

Thanks to the leadership and vision of President Donald J. Trump, the United States is decisively moving towards a new Maritime Golden Age by expanding commercial shipbuilding capacity, building a resilient workforce, and strengthening alliances that advance both our nation's economic prosperity and its national security. For decades, the nation's strategic position and shipbuilding industrial capacity have weakened due to a lack of strategic focus, cumbersome Government procurement processes, and a lack of strategic support for construction of commercial vessels in domestic shipyards. There has also been a degradation of Federal financial investment in the Maritime Industrial Base (MIB), which, when coupled with a dearth of private investment in the MIB and unnecessary regulatory burdens, have slowed the construction of ships and other critical infrastructure while driving up costs and disincentivizing the operation of ships under the U.S. flag. American shipbuilding capacity has withered, while strategic competitors have rapidly, and often unfairly, expanded and solidified their market share.

Less than one percent of new commercial ships are built in the United States. With only 66 total shipyards—consisting of eight active shipbuilding yards, 11 shipyards with build positions, 22 repairs yards with drydocking, and 25 topside repairs yards—the United States does not have the capacity necessary to scale up the domestic shipbuilding industry to the rate required to meet national priorities. Strategic competitors, meanwhile, dominate the market and build ships at a fraction of the cost of U.S. production. This status quo poses significant security and supply chain dependency issues. A self-sustaining domestic shipbuilding sector is critical for national and economic security. The United States can neither afford for its trade to and from foreign markets to be ferried almost entirely on foreign-built, -crewed, and -flagged ships, nor for the MIB to be unable to build and maintain the vessels the United States needs to defend American interests on the high seas. The Trump Administration seeks to reconstitute those means here.

On April 9, 2025, President Trump signed Executive Order (E.O.) 14269, "*Restoring America's Maritime Dominance*," which calls for the development of a Maritime Action Plan (MAP). This seminal document, informed not only by domestic imperatives but also by international realities, outlines targeted steps to rejuvenate the MIB. The MAP is developed by the Secretary of State and Assistant to the President for National Security Affairs (APNSA) and the Director of the Office of Management and Budget (OMB), in coordination with the Secretary of War, the Secretary of Commerce, the Secretary of Labor, the Secretary of Transportation, the Secretary of Homeland Security, and the United States Trade Representative (USTR). It charts a course to reclaim America's maritime strength, ensuring the Nation can defend its interests and ferry its trade.

Delivering on this vision requires more than investment. The MAP calls for policies that modernize government procurement processes and streamline regulations to accelerate shipbuilding and reduce costs. By streamlining regulatory processes, strengthening interagency coordination, and providing reliable long-term funding and demand for U.S.-built ships, shipyards, and mariners, America will rebuild maritime strength at the speed and scale required to meet the challenges of today and the future.

Marco A. Rubio
Assistant to the President for National Security Affairs

Russell Vought
Director of the Office of Management and Budget

Pillar I: Rebuild U.S. Shipbuilding Capacity and Capabilities

Recent data shows that the United States constructs less than one percent of commercial ships globally. Rebuilding America's shipbuilding industrial capacity is critical to restoring America's maritime strength.

Through a series of actions, the United States will accelerate shipyard modernization, broaden supply-chain diversification, and trigger the growth of a ready fleet of ships built in the United States and operated under the U.S. flag, while ensuring fiscal discipline and interagency alignment across Federal agencies. The result will be measurable security and economic returns.

Pillar I of this comprehensive, coordinated action plan lays out the urgent steps needed to rebuild the Nation's shipbuilding capacity, including:

- Increasing domestic shipbuilding capacity;
- Incentivizing investment in U.S. shipyards;
- Establishing Maritime Prosperity Zones to incentivize and align new domestic and allied investment in U.S. maritime industries and waterfront communities;
- Addressing myriad supply and demand issues; and,
- Reducing dependence on unreliable suppliers through heightened cooperation with allies and partners.

Increase Domestic Shipbuilding Capacity

Increasing domestic shipbuilding capacity is the cornerstone of the Administration's strategy to restore America's maritime strength and self-sufficiency. The objective is not merely to grow the number of vessels built in the United States, but to reconstitute a resilient MIB capable of self-sustained production, rapid mobilization in crises, and competitive international performance. Achieving this goal requires coordinated action across procurement policy, capital investment, supplier resilience, and workforce development so that shipyards, suppliers, and training institutions can make multi-year plans, recover from chronic underinvestment, and scale production without recurring stop-start cycles.

The U.S. commercial shipbuilding industry supporting the construction of large ocean-going ships is limited. There are only eight U.S. shipyards that can build vessels greater than 400 feet in length. The repair base for vessels greater than 400 feet in length includes 22 shipyards with drydocking capability and 25 additional shipyards with topside repair capability. There are limited incentives for existing shipyards to seek out innovative new shipbuilding techniques or efficiency gains, while high initial capital costs deter new shipyards from being constructed.

In addition, the shipbuilding industry has been experiencing skilled worker and labor shortages. This trend is exacerbated by the Federal Government's annualized appropriations framework for procurements of vessels by Federal agencies, which can lead to inconsistent vessel orders and stop-start production delays. The supply base has become consolidated with many critical components coming from a single supplier, creating supply chain vulnerabilities. Procurement process inefficiency, burdensome contract requirements, and cost increases have also added challenges to building new vessels.

Expanding domestic shipbuilding capacity is a whole-of-government undertaking that requires stable demand signals, targeted capital investments, supplier resilience, and expanded skilled workforce development. There is a clear empirical basis for the following recommended policy actions: multiyear contracting, strategic capital outlays, supplier and workforce investments, modular production, and digital engineering modernization all have a role to play. When implemented in an integrated, milestone-driven way, these actions will enable the United States to grow a more competitive, resilient, and productive shipbuilding industrial base that meets national security and economic objectives.

Recommended Policy Actions

- **Transform Shipbuilding, Repair, and Port Infrastructure**. Invest in upgrades for commercial shipyards to meet anticipated demand for construction and repair of the U.S.-flagged fleet. Add and modernize drydocks, heavy-lift and gantry cranes, panel lines, and automated material handling systems to support higher-rate production and large hull handling. Upgrade pier utilities (shore power, high-capacity electrical distribution, potable water, sewage, high-bandwidth communications) to support modern combat systems, sensitive electronics, and sustained yard operations. Fund terminal and rail connectivity improvements that expand capacity and capability to move shipbuilding equipment and materiel. Integrate planning data into recapitalization projects to ensure resilience to natural hazards. Prioritize projects that reduce time-to-part and time-to-hull by removing bottlenecks at the port-to-yard interface (e.g., container handling, heavy lift scheduling, last-mile rail). Encourage scalable public financing and expanded Small Shipyard Grant eligibility to medium and large yards to accelerate facility upgrades.
- **Leverage and Streamline Available Authorities and Resources**. Use and increase funding for Federal credit and grant authorities to lower the financial barriers shipyards and critical suppliers face (see Figure 1 below). Blend public and private capital for long-lived shipyard and shipbuilding component fabrication. Leverage public-private partnership (PPP) platforms to create projects that attract institutional investors while securing national-security priorities. Issue clear, long-range demand signals—multi-year funded purchase commitments and prioritized vessel or shipyard designations—that reduce cash flow uncertainty for industry and trigger private investments. Simplify and standardize application, eligibility, and compliance requirements across programs to lower administrative barriers and expedite investment.

Notable Authorities and Resources

- Defense Production Act (DPA) Title III authorities
- Industrial Base Analysis and Sustainment (IBAS) program authorities
- Small Business Investment Company Critical Technology Initiative
- Office of Strategic Capital (OSC) Financial Credit Program
- Fisheries Finance Program (FFP) financing
- Capital Construction Fund (CCF) mechanisms
- Construction Reserve Fund (CRF) tax deferral benefits
- Title XI Federal Ship Financing Program (Title XI) loan guarantees
- Small Shipyard Grants
- Department of War (DOW) ManTech Program
- Tax-oriented tools

Figure 1: Notable authorities and resources to address financial barriers to shipyards and critical suppliers.

- **Recapitalize the Nation's Public Shipyards**. Continue funding recapitalization projects at Norfolk Naval Shipyard in Virginia, Portsmouth Naval Shipyard in Maine, Puget Sound Naval Shipyard and Intermediate Maintenance Facility in Washington, and Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility in Hawaii as well as the U.S. Coast Guard Yard in Baltimore, Maryland to restore critical industrial capacity and specialized capabilities. Add drydocks and heavy-lift capacity with projected demand for nuclear and large surface platforms. Invest in digital shipyard infrastructure and upgrade pier utilities and electrical systems to support modern combat systems and sensitive electronics. Use Shipyard Infrastructure Optimization Program lessons to inform future investments to expand these shipyards' ability to take on larger and more complex work.
- **Work with the Army Corps of Engineers (USACE) and National Oceanic and Atmospheric Administration (NOAA)**. Task USACE and NOAA to assess the depths of shipping channels in major U.S. ports, inland rivers, and the Great Lakes to assess whether they meet modern shipping standards and allow maximum access to shipbuilding, and ship repair entities. Investments along this line can expand the number of working ports and shipyards and incentivizes rapid growth in the MIB.
- **Improve Planning and Design Efforts**. Fully develop performance requirements and ship design packages before production, validate technologies before integration, and prevent late-stage design changes. Improve cost estimate accuracy during the design process. Promote the use of modular designs that permit flexibility in adapting existing vessel designs to meet evolving mission needs.
- **Utilize Commercial Solutions**. Employ available commercial technologies and solutions. Adapting to commercially available designs will expand the pool of potential bidders, reduce design costs, and leverage economies of scale from commercial production runs.
- **Utilize Artificial Intelligence (AI) and Other Emerging Technologies**. Leverage AI systems to process requirements, analyze the supply chain, optimize contract language, rapidly identify potential compliance issues, and reduce administrative burdens. Use AI-driven design tools and emerging technologies such as additive manufacturing and augmented reality to improve efficiencies during the design process and construction. Invest in autonomous vessel capabilities to incentivize and expand the U.S. shipbuilding enterprise.
- **Provide Shipyard Incentives**. Explore opportunities for PPP and technology consortiums to share costs and risks in shipbuilding programs. Create tax incentives for shared infrastructure investment in areas where shipbuilders exist. Increase funding levels for existing Maritime Administration (MARAD) programs that support investment in shipyards.
- **Improve Shipbuilding Coordination**. Require a Federal Government-wide shipbuilding plan, with frequent updates, to spur investment and provide a clearer picture of agency needs.

Incentivize Investment in U.S. Shipyards

To reverse the decline in the shipbuilding industry, new actions are needed to strengthen U.S. maritime infrastructure, reduce reliance on unreliable suppliers, and enhance the global competitiveness of the U.S. shipbuilding sector. A key mechanism to promote growth is the expansion of existing Federal and state economic development incentives that encourage shipbuilders from allied nations to invest in the U.S. shipbuilding industry. Monetary incentives

include credits, rebates, and exemptions from certain tax liabilities, direct grants, financing and aid for infrastructure and site development, loan support, and funding for job training initiatives and employment programs.

The primary vehicle for these incentives is the creation of bilateral or multi-lateral PPP, which are typically managed by State-level government agencies, local-level jurisdictions, and utility service providers—collectively referred to as "economic development organizations." The Federal Government often provides adjunct incentives through programs like SelectUSA and the U.S. Investment Accelerator, which offer immediate opportunities to support direct foreign investment in shipbuilding through coordinated permitting, regulatory guidance, and site selection/promotion.

Creating a Shipbuilding Financial Incentives Program would also attract sustained investment in infrastructure, financing tools, and incentives that enable U.S. shipyards to modernize and compete globally. Financial incentive programs with broad flexibility to stimulate private investment in commercial shipyards and vessel construction are key to the future of U.S. shipbuilding. U.S. investment is critical to provide shipyards with the capital, financing, and tax incentives needed to modernize facilities, expand capacity, and secure the long-term health of the U.S. shipbuilding sector.

Recommended Policy Actions

- **Ensure Long-Term Funding and Modernize the Federal Ship Financing Program**. Amend MARAD's Federal Ship Financing Program (commonly referred to as Title XI) to expand eligibility, improve efficiency, and streamline program administration to align with modern program management and business practices. Review the application intake and review process by the Department of Transportation (DOT) and institute changes to reduce the average amount of time the process currently takes for review and final determinations on the approval of applications, including any needed changes to requested information to remove unnecessary, outdated, and overly burdensome requirements. These changes would make participation in the Title XI program less costly and burdensome, thereby incentivizing sustained shipbuilding activity and providing shipyards access to long-term financing for large-scale capital projects. This could ultimately help U.S. shipyards be more competitive with foreign counterparts.
- **Create a Maritime Incentives Coalition**. A Maritime Incentives Coalition comprised of Federal agencies, State governments, and economic development organizations could serve to coordinate a site readiness and infrastructure offering that is tailored to shipbuilders.
- **Increase Funding and Incentives**. Increase funding to existing Federal programs and incentives (see Figure 1 above) to expand eligibility, deal capacity, and investment attraction services for strategic maritime investments.
- **Expand Shipyard Capital Improvement Financing**. Establish a new initiative for shipyards modeled on MARAD's successful Capital Construction Fund program for vessel owners. This would allow shipyards to establish tax-deferred accounts to reinvest earnings into infrastructure improvements, new equipment, or debt payment. By accelerating the accumulation of equity and reducing financial burdens, the program would enable shipyards to modernize rapidly, improve production efficiency, and expand capacity. With $2.59 billion currently held in vessel-owner funds, extending this tool to shipyards offers a proven model for stimulating long-term investment in critical infrastructure.

Considerations should also be made for establishing similar programs for other segments of the maritime industry, including marine terminal operators.

- **Establish a Universal Fee on Foreign-Built Vessels from any Nation Entering U.S. Ports.** Impose a universal infrastructure or security fee on all foreign-built commercial vessels calling at U.S. ports, to be assessed on the weight of the imported tonnage arriving on the vessel. A fee of 1 cent per kilogram on foreign-built ships would yield roughly $66 billion in revenue over ten years and a fee of 25 cents per kilogram would yield close to $1.5 trillion in revenue, which could be used for the Maritime Security Trust Fund. As foreign-built vessels benefit from U.S. market access, this policy ensures they contribute to the long-term revitalization of America's maritime capabilities.
- **Strengthen Shipyards**. In line with the goals of the Assistance for Small Shipyards grant program, establish a new grant program to fund projects that increase the capacity and efficiency of U.S. shipyards of all sizes in order to increase high-paying jobs in the maritime sector, advance technological innovation in shipbuilding, and reduce reliance on foreign shipyards.

Establish Maritime Prosperity Zones to Catalyze Shipbuilding Investment and Workforce Growth

Strengthening the U.S. maritime industry requires a strategic infusion of capital into the communities that sustain maritime readiness. The establishment of new Maritime Prosperity Zones (MPZs), modeled after President Trump's highly successful 2017 Opportunity Zones (OZs) concept, will incentivize and leverage domestic private capital and allied investment in America's maritime industries and waterfront communities.

Recommended Policy Actions

- **Strengthen Interagency Coordination**. Designate the Secretary of Commerce as the official responsible for the selection of MPZs in consultation with the Secretary of Treasury, Secretary of Transportation, Secretary of Homeland Security, the Director of OMB, and Secretary of War. Authorize the Secretary of Commerce to designate 100 MPZs, with each MPZ designated for a period of ten years.
- **Extend MPZ Designation**. Ensure eligibility for MPZ designations includes maritime supply chain entities, workforce development and educational institutions, and advanced manufacturing initiatives to strengthen industrial base capacity and readiness. Employ the North American Industrial Classification System codes used for qualified OZ business and business property designations to encompass maritime supply chain industries. Allow qualified OZ businesses and business properties to include entities substantially engaged in the education and training of the MIB.
- **Expand Geographic Representation**. Ensure MPZs are geographically diverse and include areas outside traditional coast shipbuilding and ship repair centers, including river regions, the Great Lakes, Alaska, Hawaii, and U.S. territories in addition to the east and west coasts of the United States and the Gulf of America. Account for OZ 2.0 provisions set forth under the One Big Beautiful Bill Act.

Address Supply and Demand Issues

The United States faces gaps in the supply of, and demand for, the capabilities and capacity of its maritime industry. Now is a critical time in America's maritime history, as decades of

industrial decline have significantly eroded shipbuilding capacity, the U.S.-flagged fleet, and the health of the MIB.

The U.S. Government (USG) currently possesses a wide array of programs and authorities that could be used to address the gaps and sustain and grow the demand for the U.S. maritime industry. Existing programs include Federal support for shipping, shipbuilding, mariner education and training. These programs and authorities, however, can be utilized more effectively to support the maritime industry. Reform and expansion of existing programs and authorities, combined with the implementation of new programs, could help the United States meet the statutory obligations to support the merchant marine, outlined in 46 U.S.C. § 50101.

Recommendations for program modifications and additional authorities to sustain and grow the industry are summarized below.

Recommended Policy Actions

- **Increase Federal Financing and Incentives**. Expand and modernize Federal financing and tax incentives (*i.e.*, Title XI, CCF, CRF, accelerated depreciation, tax credits) to lower the after-tax cost of vessel construction and shipyard investments, and create dedicated credit or loan programs for major shipyard capital projects. Clear, flexible, long-term financing and predictable tax treatment will improve cash flow and make U.S. shipbuilding and yard upgrades financially viable. Refundable production-based tax credits tied to the output of maritime vessels could send the strongest signal to producers, while minimizing allocation decision politics.
- **Stimulate U.S.-Flag Fleet Growth**. Create market signals and streamlined processes such as restructured operating subsidies, multiyear participation agreements, guaranteed cargo or procurement commitments, and a Strategic Commercial Fleet (SCF) procurement vehicle. Reliable revenue streams and targeted procurement commitments will trigger private investment in U.S.-built and U.S.-flagged commercial vessels.
- **Deliver Regulatory Relief**. Reform regulations to favor domestic shipbuilding and repairs. This can be done through a series of actions including streamlining reflagging and equivalency reviews, strengthening the "U.S.-built" definition over time to grow supplier capacity that would further require ship materials to be American Made, tightening repair duty loopholes, and reducing retrofit compliance frictions (*e.g.*, de-link U.S. Clean Air Act requirements from issuance of the Engine International Air Pollution Prevention [EIAPP] certificate). These changes will redirect more repair and modification work and component production to U.S. shipyards while managing short-term supplier constraints.
- **Strengthen Resilience**. Invest in industrial base resilience and enabling infrastructure through grant and financing programs focused on shipyards and the vessel construction industrial base, expanding Port Infrastructure Development Program (PIDP) funding and eligibility, and increasing USCG review and inspection capacity. These efforts may reduce chokepoints, protect suppliers, and speed construction and sustainment throughput.

Leverage International and Industry Partnerships

Strengthening the U.S. maritime sector requires leveraging international and industry partnerships. Close coordination with allies and partners will align trade policies to enhance investment in the U.S. maritime sector. Diplomatic engagement and coalition building ensures that U.S. trade enforcement measures are reinforced by allied action, while targeted incentives encourage shipbuilders from partner nations to invest directly in America's MIB. Together, these approaches extend U.S. market signals internationally, create a more level

playing field for shipping and shipbuilding, and expand access to capital and capacity critical to restoring the U.S. fleet.

Engagement with U.S. allies and trading partners ensures that their policies are aligned with key goals like promoting domestic shipbuilding. The United States Trade Representative (USTR), in consultation with the Secretary of State and Secretary of Commerce, is engaged with U.S. trading partners on trade agreements to make bilateral trade more reciprocal and to align with the United States on economic and national security matters. These discussions have focused on proactive investment partnerships with allies and trusted partners. By creating clear pathways for foreign direct investments in U.S. shipyards, suppliers, and maritime infrastructure, the United States can expand domestic capacity, while reinforcing relationships abroad. Existing incentive mechanisms across Federal, state, and local governments—including tax credits, loan guarantees, and workforce training programs—can be valuable tools, but they are fragmented and often insufficient to attract major shipbuilders. A coordinated strategy will ensure that allied national investment supports U.S. shipbuilding, strengthens supply chain resilience, and accelerates the restoration of the MIB. The recommendations below reflect the internationally focused elements of this approach.

Recommended Policy Actions

- **Leverage Economic Diplomacy and the Agreement on Reciprocal Trade (ART) Framework.** Continue diplomatic and trade engagements by USTR with allies and trading partners under the ART Framework to secure commitments related to shipping and shipbuilding. These engagements provide an opportunity to leverage economic diplomacy and trade policy in support of MAP implementation. To date, President Trump has secured at least $150 billion of dedicated investment for America's shipbuilding industry; the Department of Commerce (DOC) is working to mobilize these funds to achieve the greatest investment in U.S. shipbuilding history.
- **Expand and Adapt Existing Federal Programs**. Leverage Title XI loan guarantees, the Small Shipyard Grants Program, and maritime workforce training initiatives, to increase their scale and attractiveness to foreign partners.
- **Encourage Bilateral and Multilateral Agreements**. International agreements that link market access to joint industrial development will help ensure allied investment directly contributes to reduced reliance on unreliable supply chains. A potential "Bridge Strategy" provides a multi-ship buy wherein the first ships in the contract are built in a foreign shipbuilder's home shipyard while concurrent direct capital investments are made in a U.S. shipyard they have purchased or partnered with to eventually onshore construction.

Pillar II: Reform Workforce Education and Training

Expansion of mariner training and education, modernization of the U.S. Merchant Marine Academy (USMMA), and maintenance of a comprehensive inventory of maritime training programs collectively anchor a robust, actionable plan to grow a capable and credentialed maritime workforce. Heightened attention to, and investment in, the U.S. maritime workforce will allow for expansion of the U.S. flagged fleet and align industry with both government objectives and the latest maritime education innovations.

Pillar II of the MAP recommends actions required to reform maritime workforce and education, including the following:

- Expanding mariner training and education to address workforce challenges in the maritime sector through maritime educational institutions and workforce transitions;
- Providing financial and regulatory incentives for the training of shipbuilders and U.S. credentialed mariners;
- Modernizing the USMMA through Federal investment to address urgent deferred maintenance projects and other mission-critical repairs and develop a five-year capital improvement plan based on the long-term Master Facilities Plan for the modernization of the campus; and
- Otherwise enhancing maritime training capabilities to meet industry needs

Expand Mariner Training and Education

The United States needs a sufficiently large, ready, and willing mariner workforce to crew U.S.-flagged vessels in support of national defense and economic growth, which will require collaboration and coordination across multiple agencies, including DOT, DOW, DOC, the Department of State (DOS), the Department of Labor (DOL), and the Department of Homeland Security (DHS). Mariners serving on these vessels requires a USCG Merchant Mariner Credential (MMC), which entails significant training costs and months of sea service. Over recent decades, the fleet of large oceangoing U.S.-flagged ships has shrunk, reducing opportunities for active mariners and leading to a reduction in the overall number of credentialed mariners to sail internationally. Expanding the U.S.-flagged fleet will demand a coordinated effort to recruit, train, and retain many more qualified mariners, timed to match the pace of fleet growth.

Recommended Policy Actions

- **Data Planning and Reporting**. Provide capability through USCG's Merchant Credentialing Program (MCP) and MARAD's authorities to track the pool of mariners who are credentialed, actively sailing, and willing to sail in a national emergency. Develop a web-based system for industry to report workforce-related operational and financial impacts. Produce a Mariner Mobilization Plan for surge requirements during national defense and emergency activations of the Ready Reserve Force (RRF).
- **Credentialing Modernization and Regulatory Reform**. USCG is modernizing its MCP and undertaking initiatives to strengthen the web-based mariner credentialing portal system to digitize credentialing and separate medical-certificate processing from MMC issuance. Recommend revising specific portions of the Code of Federal Regulations (CFR) to reduce duplicate exams, align deck and engine requirements, expand acceptance of approved

training, allow approved simulator training to satisfy part of the sea-service training requirements, and shorten the credentialing timeline.

- **Increase stakeholder coordination**. In addition, the establishment of a Maritime Workforce Federal Advisory Committee to work in coordination with state and local workforce development boards and obtain input and recommendations from Federal and state stakeholders and the maritime and shipbuilding industries. This would strengthen interagency coordination and provide ongoing interagency and industry guidance.
- **Maritime Workforce Recruitment and Retention Incentives**. Authorize and fund a new Mariner Incentive Program (MIP) at MARAD that would authorize a suite of programs to support mariner education, recruitment, training, and retention to meet current and future economic and national security needs. The MIP would include improvements to the existing Student Incentive Payments (SIP), which provide financial assistance to State Maritime Academy (SMA) students for tuition, training, and other costs associated with attendance. In addition, the MIP would include new financial assistance programs to encourage entering and remaining in careers in the maritime industry and assist maritime education programs. This assistance would be provided directly to the entity that offers the training, or to the students in exchange for service obligations. This will expand opportunities and reduce barriers for those interested in becoming or remaining mariners.
- **Academy Capacities and Workforce Pipelines**. Work with the SMAs to expand capacity when there is a sustained demand signal for enrollment in majors that include an MMC with an officer endorsement. DOT should increase funding for the Center of Excellence (COE) for Domestic Maritime Workforce Training and Education program, and expand support to include Registered Apprenticeships, community colleges, and accelerated trades programs to produce more credentialed mariners.
- **Military-to-Mariner (M2M)**. By maximizing credit for military training and sea service toward MMC endorsements, expanding fee exemptions to all military members, formalizing equivalency guidance with National Merchant Marine Personnel Advisory Committee (NMERPAC) input, and continuing to approve reciprocity for military courses to meet training requirements, USCG can expand the application of previous military experience to increase the number of credentialed mariners. Strengthening outreach and counseling will allow transitioning service members to efficiently convert relevant skills to qualify for an MMC.
- **Regulatory and Administrative Simplifications**. Revise specific USCG CFR sections to increase sea-service crediting, streamline tonnage groups, and remove obsolete requirements. On the administrative side, eliminate Documents of Continuity and the requirement to return expired MMCs, remove burdensome renewal and assessor requirements, and simplify oath requirements by adopting a single oath. These actions will streamline and clarify the processes for mariner credentialing.
- **Training Content and Assessment Flexibility**. Approve high-fidelity simulator training to substitute for portions of required sea service and allow for "test-out" options for demonstrated competence. Streamline training approvals so that simulation and other modern innovations can safely accelerate skill acquisition and qualification.
- **Industrial Base and Interagency Workforce Support**. Coordinate and scale mariner workforce development across Workforce Innovation and Opportunity Act, Registered Apprenticeships, Pell Grants and Workforce Pell Grants under the Higher Education Act of 1965, Carl D. Perkins Career and Technical Education Act of 2006, Accelerated Training in

Defense Manufacturing (ATDM) Talent Pipeline Programs, and Additive Manufacturing COEs to expand regional training hubs, accelerate and expand trades pipelines, enhance K–12 outreach, and align education and employer demand to sustain the broader MIB. Within flexible competitive grant programs, establish new priorities for grantees to focus on shipbuilding-related training.

- **Country-to-Country Agreements**. DOS is positioned to support the interagency to develop agreements with industry and academia in allied maritime nations that support bilateral exchange opportunities. Bilateral agreements are a flexible way to foster connections at any level of education. They are also useful mechanisms to capture investment commitments from the private sector, to support U.S. shipbuilding through education and workforce development.

Modernize the U.S. Merchant Marine Academy

Strengthening the maritime industry requires that the U.S. provide robust education and training opportunities. The USMMA plays a crucial role in America's maritime industry by graduating individuals who serve as merchant marine officers in the U.S. Merchant Marine and commissioned officers in the Armed Forces. The USMMA is essential for producing the workforce America requires to support a rapid growth in commercial and military ship fleets. The Academy's campus in Kings Point, NY, is suffering from significant deferred maintenance backlogs and requires an urgent modernization effort to ensure the Academy can continue to offer the training and coursework that midshipmen are required to complete, accelerating the growth of the mariner workforce.

The USMMA has finalized a long-term Master Facility Plan that addresses mission critical repair work across the Academy's existing buildings and infrastructure. The long-term Master Facility Plan includes information on necessary budget requirements to carry out this work, planned construction sequencing and schedules, and a full inventory of the Academy's facilities and maintenance requirements.

Recommended Policy Actions

- **Address Urgent Deferred Maintenance Issues**. The Secretary of Transportation should request funding, consistent with law, to assist USMMA in addressing mission critical issues with the Academy's buildings and infrastructure. In April 2025, USACE New York District and USMMA entered into a long-term agreement for campus revitalization and modernization and are well into or have completed the required planning and design efforts. Building and infrastructure maintenance should be viewed as a continuous, ongoing effort, as many of these infrastructure and facility deficiencies have the potential to impact the health and safety of students and staff. Addressing them promptly and continuously must be a top priority.
- **Return the Academy to a State of Good Repair**. Essential improvements should be made to the campus and its infrastructure to ensure USMMA is able to continue to deliver on its mission. Some buildings and infrastructure will be demolished and replaced with new construction, when necessary, while multiple structures will be renovated to meet modern standards. The waterfront portion of the campus requires seawall, pier, and dredging renovations to mitigate the impacts of erosion, and ensure that it can continue to facilitate mariner training exercises.
- **Enhance facilities to accommodate future growth**. Additional space will be required to accommodate the Academy's long-term expansion plans, which includes a 20 percent

increase in student enrollment and a 30 percent increase in faculty positions. Several of the Academy's planned construction projects are intended to expand the campus' capacity.

Increase Support for State Maritime Academies

The Nation has also benefited from the six State Maritime Academies (SMAs). California, Maine, Massachusetts, Michigan, New York and Texas all provide support for maritime education within their state higher education systems. These schools receive Federal financial support from MARAD as well as a common curriculum that allows their students to receive MMC. The vast amount of their financial support, however, is derived from their state governments and in some cases (Texas and the Great Lakes Maritime Academies) they tailor portions of their training to the demands of their local maritime economies (oil and gas, and the ore carrying Laker fleet, respectively). In addition, during the first Trump Administration, the Federal government funded the construction of five National Security Multi-Mission Vessels (NSMV), which will serve as the school ships for the five non-Great Lakes academies and invested in the local shore infrastructure associated with the ships. These modern ships are the envy of the world's maritime education system and will allow the state maritime academies to more easily provide the summer sea term training their students require to receive their MMC with an officer endorsement and professional certifications.

Recommended Policy Actions

- **Review SMA Support and Needs**. Review existing support provided to the SMA including from the Student Incentive Payments (SIP), direct financial support to SMA, fuel assistance payments, maintenance and repair for school ships, and the NSMV program to evaluate sufficiency of support with respect to providing a needed supply of merchant mariners.

Maritime Industry Needs – Enhancing Training Capabilities

Expanding the Nation's capacity to meet its growing maritime needs requires supporting and enhancing training capabilities. There are documented shortages in labor and skills in the U.S. shipbuilding and repair industry, as well as in the pool of credentialed mariners. There are several existing programs and scalable workforce initiatives that can assist in closing the labor and skills gap and will modernize the training pipeline to build up this industrial capacity.

Inventory of Existing Training Programs and Workforce Initiatives for the Merchant Marine and Maritime Industry

- **USMMA:** Federal service academy educating deck and engineering officers; includes Sea Year experiential training and obligations for graduates to serve in the maritime industry or reserves.
- **SMAs:** Six regional academies providing graduates with USCG MMC with an officer endorsement. This program receives Federal support (operating payments, SIP, training vessel access). Also of note is the SIP program and the U.S. Navy's (USN) Strategic Sealift Midshipmen Program, which offers a stipend to support cadets at SMAs who commit to strategic sealift service.
- **COE for Domestic Maritime Workforce Training and Education:** Designated training providers (50 training locations across 17 states and Guam) that deliver maritime workforce education, Registered Apprenticeships, and applied training.

- **Small Shipyard Grant Program:** Capital and training grants targeted at small shipyards (facilities with less than 1,200 production employees) that include funding for workforce training initiatives.
- **Accelerated Training in Defense Manufacturing (ATDM):** A 16-week intensive program focused on welding, computer numerical control, metrology, additive manufacturing, etc.
- **Additive Manufacturing (AM) COE:** Technical hub (co-located with ATDM) for programs and processes like technical data package generation, vendor activation, and workforce training in additive manufacturing.
- **USN Talent Pipeline Program:** Regional hiring and training pipelines (six regions and a national pipeline) linking suppliers, trade schools, and nearly 500 participating employers.
- **MARAD U.S. Center for Maritime Innovation (USCMI):** Research and development (R&D), demonstrations, and technical assistance with training and adoption aspects for new maritime technologies.
- **Shipbuilding Workforce Development Incentive (10 U.S.C. §8696):** USN contract provision that funds Registered Apprenticeships, training, and workforce supports; tied to DOW shipbuilding projects.

Recommended Policy Actions

- **Scale proven accelerated training models.** Expand throughput, add training tracks, and replicate the ATDM model in additional maritime regions, allowing for expanded training opportunities.
- **Grow AM COE capacity geographically.** Establish additional additive manufacturing COEs in key maritime regions (West Coast, Guam, Hawaii, etc.) to accelerate technology adoption, reduce part acquisition lead times, and tie technical training to production needs. Provide grant funding and strengthen coordination among COEs, community colleges, SMAs, and industry to expand Registered Apprenticeship pipelines and align curricula with shipyard and maritime employer needs.
- **Expand talent pipelines and regional training partnerships.** Increase the number and geographic reach of talent pipeline programs and strengthen linkages between trade schools, COEs, shipyards, and employers to improve hiring, retention, and skill alignment.
- **Modernize and enlarge USMMA and SMAs.** Increase academy capacity, upgrade campus and training facilities, grow faculty and staff, and provide resources to improve recruitment and expand the pipeline of credentialed officers and sea year placements through the USMMA and SMAs, as appropriate.
- **Broaden Shipbuilding Workforce Development Incentive applicability.** Extend the USN's workforce incentive model to cover conversion, repair, and other Federally funded shipyard projects to generate wider, matched funding for Registered Apprenticeships and retention programs.
- **Increase support for mariner training and credentialing.** Streamline mariner training requirements and provider accreditation to speed credentialing; consider incentives for training costs to recruit and retain mariners.
- **Fund R&D.** Fund applied R&D while reducing innovation risk through USCMI tied to workforce curricula. This can be achieved by pilot technologies with integrated training

pathways so workers and employers can adopt new production methods without excessive operational risk.

- **Leverage contractual and grant authorities to tie training to procurement.** Require or expand contractually mandated workforce investments in shipbuilding contracts and DOW grants to create sustained training funding streams.
- **Tax treatment of merchant mariner foreign earned income.** Permit the income a U.S. merchant mariner earns while employed on a U.S-flag vessel operating on an international route to be excluded from gross income under the Internal Revenue Code provisions that permit such an exclusion for U.S. citizens or residents living abroad.
- **Cultivate, Expand, and Retain a Skilled Maritime Workforce**. Continue investment and support for existing workforce development programs that have effectively supported the maritime workforce. Scale proven pipelines and rapid training models to meet both surge hiring and long-term skill demand. Expand investment in workforce development resources, such as regional talent pipelines, community college, vocational-technical schools, Registered Apprenticeship partnerships, and K–12 outreach, so that trade skills (*e.g.*, welding, computer numerical control [CNC] machining, non-destructive testing [NDT], additive manufacturing) and qualified workers meet demand. Tie workforce grants and training funding to shipbuilding and repair contracts to ensure sustained training pipeline. Strengthen mariner credentialing and military-to-mariner transitions to expand the pool of merchant mariners and surge capacity for mobilization. Invest in local infrastructure and quality-of-life support with an emphasis on quality, affordable housing through PPP where large workforce influxes are expected, to retain workers and stabilize labor markets.
- **Invest in Workforce Development**. Promote DOL's Industry-Driven Skills Training Fund grant program and other shipyard-specific training partnerships, such as Registered Apprenticeships, in critical areas such as ship fitting, welding, and electrical installation. Create tax savings opportunities for MIB vendors that support career training programs. Develop "incubator" funding opportunities that incentivize shipbuilders to focus capital investments on emerging technology to prepare the MIB workforce for the future of shipbuilding. Provide Federal housing loan guarantees for shipbuilding workers, like Department of Veteran Affairs loans. Integrate shipbuilders with the USN Reserve to create a reserve force skilled in ship repair, with reserve unit drill benefits to the shipbuilders. Enact the Administration's Fiscal Year (FY) 2026 request for a single, flexible Make America Skilled Again grant program to make it easier for States and localities to make effective investments in shipbuilding-related training and reauthorize the Workforce Innovation and Opportunity Act to reflect simplified grant program structure.

Pillar III: Protect the Maritime Industrial Base

Strengthening trade, Federal procurement, and market signals are the levers that align commercial incentives with national security. Effective trade policy, customs enforcement, allied coordination, and Federal acquisition reform will generate predictable demand for U.S.-built and U.S.-flagged vessels.

Under President Trump's E.O. 14275, "*Restoring Common Sense to Federal Procurement*," the Federal Government is undertaking a revolutionary overhaul of the Federal Acquisition Regulation (FAR). In August 2025, OMB's Office of Federal Procurement Policy announced the launch of a historic update to the FAR, making the most significant reform to Federal commercial buying procedures in over four decades. Among other things, the FAR overhaul will make it easier for agencies to leverage commercially available solutions.

Pillar III of the MAP lays out the urgent steps needed to protect the MIB and strengthen demand signals, including:

- Strengthen requirements for shipping government-impelled and commercial cargoes on U.S.-flagged vessels;
- Impose a Land Port Maintenance Tax to balance payments from importations across land ports versus maritime ports;
- Streamline and improve acquisition processes for USG vessels while reducing change orders; and
- Consider actions, as appropriate, based on USTR's investigation of the People's Republic of China's (PRC) targeting of the maritime, logistics, and shipbuilding sectors for dominance.

Strengthen Preference Requirements

Waterborne vessels are the leading transportation mode for U.S. international trade in goods, moving 41.5 percent of the United States' global trade value, or $2.1 trillion, with imports accounting for nearly twice the share of exports. The vast majority of these vessels are built abroad despite primarily being used to access the U.S. market. Foreign dominance of global container shipping has accelerated the decline of domestic shipbuilding capacity as well as the shrinkage of the U.S. mariner labor pool. This status quo puts at risk American maritime self-reliance and presents significant economic and national security vulnerabilities. Actions should thus be taken to promote the use of U.S.-built, flagged, and crewed ships that participate in international trade.

Recommended Policy Actions

- **Institute a New United States Maritime Preference Requirement (USMPR)**. As ships are being built in the United States, require high-volume exporting economies to transport a gradually increasing percentage of their U.S.-bound containerized cargo on qualifying U.S. vessels.
- **Expand Cargo Preference Requirements and Streamline Enforcement**. As ships are being built in the United States, require an increasing percentage (up from 50 percent) of civilian U.S. Government agency cargoes to move on U.S.-flagged vessels to strengthen the economic foundation of the fleet, helping to ensure sufficient tonnage and crew availability for mobilization in a crisis. MARAD's authority to enforce compliance and issue

waivers streamlines coordination across the USG, while reducing risk of shortfalls in sealift readiness.

- **Modify the Cargo Preference Three-Year Eligibility Rule**. Reforms to this rule are slated to go into effect in 2030. Immediate implementation of reforms to the three-year eligibility rule would accelerate fleet growth and expand the pool of mariners available to crew vessels during national emergencies. By reducing entry barriers while maintaining commitments to emergency preparedness agreements, this measure enhances America's ability to mobilize commercial assets when needed.

Establish the Land Port Maintenance Tax

The Land Port Maintenance Tax (Fee) directly addresses the diversion of cargo from U.S. ports of entry by leveling the playing field between land ports and seaports. The absence of a fee comparable to the Harbor Maintenance Tax at land ports incentivizes shippers to route cargo through land borders, undermining the competitiveness of U.S. maritime ports and creating disparities in infrastructure funding. The Land Port Maintenance Tax (Fee) would generate dedicated funding to enhance the safety, efficiency, and capacity of U.S. land ports of entry.

Recommended Policy Action

- **Establish the Land Port Maintenance Tax (Fee)**. Create a funding mechanism for land ports of entry that is equivalent to the existing Harbor Maintenance Tax (Fee) for seaports. Merchandise entering the United States through land ports of entry would be subject to a modest tax (0.125 percent of the value of the merchandise), ensuring that land ports contribute equitably to the costs of maintaining and improving critical trade infrastructure. Funds collected under this tax will be deposited into the newly established Land Port Maintenance Trust Fund (LPMTF), which will support the planning, design, construction, maintenance, and improvement of land port infrastructure. Up to 10 percent of the funds will be allocated to the LPMTF's administrative expenses, ensuring efficient and effective implementation.

Improve Government Procurement Efficiency

Maintaining a powerful maritime presence is strategically important for America's defense posture, commercial objectives, and scientific missions. The ability to project maritime capability, secure borders, conduct scientific research, and sustain maritime infrastructure is heavily reliant on a resilient, efficient, and innovative shipbuilding industrial base. However, current Federal vessel acquisition strategies are fragmented, overly complex, and often duplicative across agencies—resulting in delays, increased costs, and underutilized industrial capacity.

The USG must ensure its acquisition program management practices and procurement processes facilitate modernization of domestic shipbuilding capabilities, improve competitiveness, and accelerate delivery of technologically advanced vessels. The recommendations below focus on streamlining processes, improving requirement definitions, enhancing competition in shipbuilding, and increasing the use of emerging technologies.

Recommended Policy Actions

- **Improve Procurement Efficiency**. Utilize multiyear and multivessel procurement strategies with stable funding to leverage a single contract over multiple years and vessels, reduce per-unit costs, stabilize the industrial base, and ensure production continuity. Departments should seek to ensure stable designs, cost savings from utilization, and

alignment with industrial base capacity before leveraging these procurement strategies. By committing to multiple hulls at once, the Government can drive down procurement costs through economies of scale, reduce the risk of production delays, and provide shipbuilders with the predictability needed to retain skilled labor and justify capital investments. Consider flexible procurement authorities to enable procurements that are profitable for industry while protecting Government equities.

- **Improve Contract Efficiency**. Reduce administrative burden and simplify reporting and inspection requirements, focusing on performance-based outcomes. Reduce the current level of contract deliverable line items to the bare minimum and drastically reduce or outright eliminate change orders. If allowed at all, change orders must not be about convenience, but rather require an end-use purpose such as increase of production cadence, cost reduction, or solution of a capability or safety issue. Offer incentive payments for Government priorities such as meeting or exceeding delivery schedules, and penalizing failure to meet contract requirements.
- **Continue to Develop and Refine Forecasts of Future Vessel Needs**. The USN, USCG, NOAA, Customs and Border Protection (CBP), and other USG entities produce forward-looking estimates of vessel needs, drawing on data on operational needs as well as forecasts of future fleet requirements and budget resources. These forecasts provide the maritime industry with a degree of certainty with respect to future shipbuilding demand and allow for demand to be calibrated to industrial capacity.
- **Streamline Acquisition Processes**. Expand the use of the Vessel Construction Manager (VCM) model for recapitalization in which agencies enter into a contract with a commercial ship owner-operator to manage the construction of a new vessel, who in turn negotiate and enter into a commercial vessel construction contract with a U.S. shipyard to produce the vessel. Departments should seek to utilize the VCM model to the maximum extent practicable for the procurement of all auxiliary vessel platforms.
- **Expand Use of Other Transaction Authorities and Commercial Off-the-Shelf Products**. In alignment with the revolutionary FAR overhaul, expand and leverage agencies' Other Transaction Authorities and similar authorities and directives to eliminate mandatory waiting periods, allow same day evaluation, and permit negotiation of all terms and conditions, among other things. Use commercial off-the-shelf products with lifecycle support agreements to maintain upgradability and through the Administration's transformation of the FAR, streamline acquisitions processes to reduce approval layers and standardize decision-making frameworks across Federal agencies.
- **Improve Requirements Definitions**. Acquisition program cost and schedule risks often arise when vessel construction begins before designs are fully developed or validated. To improve requirements definitions, increase interagency collaboration to foster early and sustained dialogue between technical stakeholders, operators, and acquisition professionals to refine scope before Request for Proposal release, and expand use of requirements management tools to improve coordination between stakeholders. Where appropriate, use a design-bid-build approach to ensure designs are fully validated before construction awards are made. Identify and consider eliminating redundant or low-value Federal Government reviews, simplify regulations, and improve mission needs statements and program objective memoranda through coordination with working groups, better utilization of the Government Shipbuilding Council, and increased cross-agency collaboration. Agencies should work together to determine whether designs for existing vessels for one agency could be leveraged for other applications. Agencies should consider

employing the VCM model as an acquisition method that improves requirements definitions and limits design changes. Lastly, agencies should increase commitment and funding during the preliminary and contract design phases to reduce risk and cost overruns.

- **Enhance Competition in Shipbuilding**. Introduce contract incentives including rewarding performance, timely delivery, cost-saving innovations, and lifecycle support commitments to reduce delays in contract awards. Improve transparency by communicating long-term acquisition plans and promoting consistency by publishing evaluation criteria and improving feedback mechanisms to increase bidder confidence and participation. Utilize the VCM model as a method to expand U.S. industrial base capacity and capabilities which can contribute to healthier competition.
- **Optimize Shipbuilding Processes**. With exception of warships, use designs of existing mature or modular commercial or government (domestic and international) vessels that can be adapted to multiple agency mission needs with minimal modification, with military modifications reserved for the post-delivery period. Increase collaboration between agencies and identify lead agencies for expertise in leading a larger acquisition program across multiple agencies to achieve economies of scale. Use independent third-party assessors and VCMs for oversight, and right-size the oversight of production and number of requirements imposed on shipyards across defense primes and service branches. The Government should retain intellectual property as an element of shipbuilding contracts to preserve the ability to maintain and modernize platforms over time and ensure operational independence from sole-source sustainment arrangements. Include the provisioning of spare parts for initial maintenance availabilities within shipbuilding contracts, reducing vulnerability to long lead times on parts that are produced by sole-source manufacturers on demand. This will reduce the need for cannibalizing parts from other ships, wait times, and deferred maintenance backlogs.
- **Increase Use of Emerging Technologies**. Explore targeted Federal Government support such as grants and cost-sharing mechanisms to help U.S. shipyards invest in emerging technologies for shipbuilding and maintenance. Increase the use of those technologies to support all components of vessel procurement including design, acquisition, supply chain management, construction, operation, and maintenance. Expand the use of AI, digital twin technology and additive manufacturing, as well as integrating autonomous systems where appropriate, especially in research and surveillance missions. Leverage the domestic shipbuilding industrial base to develop modern designs with greater military utility to meet or exceed the most up-to-date commercial standards for fuel type, emissions, safety systems, IT security technologies, and Arctic and ice-class construction capabilities. Create incentives for industry to adopt emerging technologies that increase efficiency and reduce construction or operating costs.
- **Engage International Partners**. Foreign shipbuilders produce ships for a fraction of the cost of production in the United States. Engage with allied maritime nations on shipbuilding best practices and incorporate related model evaluation criteria into source selections.
- **Leverage Commercial Standards and Designs**. Review all ship, vessel, and craft programs to identify opportunities where proven commercial shipbuilding standards can be adopted. By drawing on established commercial models, the Government can reduce costs, shorten delivery times, and strengthen the domestic industrial base.

- **Streamline Acquisition Frameworks**. Current USCG Major and Non-Major System Acquisition Manuals create unnecessary delays and complexity. Updating these manuals, while ensuring transparent and reliable acquisition data across DHS, will allow leaders to manage risk more effectively and deliver needed capabilities on time.
- **Expedite Government Contracting.** Utilize sole source contracting authority as appropriate for the purpose of shipyard industrial modernization.

Actions in the Investigation of the People's Republic of China's Targeting of Maritime, Logistics, and Shipbuilding Sectors

In 2024, USTR initiated an investigation of China's acts, policies, and practices targeting of the maritime, logistics, and shipbuilding sectors for dominance under Section 301 of the Trade Act of 1974, as amended (the "Trade Act"). Based on the information obtained during the investigation, on January 16, 2025, USTR released a public report on the investigation. The "Report on China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance" supports the determination that China's targeting of the maritime, logistics, and shipbuilding sectors for dominance is unreasonable and burdens or restricts U.S. commerce and thus is actionable.

On the basis of a two-day public hearing, nearly 600 comments from the public, consultations with other government agency experts, and consultations with USTR cleared advisors, USTR took responsive action on April 17, 2025. On June 6, 2025, USTR announced a public comment process to consider proposed modifications to certain aspects of Annexes III (Service Fee on Vessel Operators of Foreign-Built Vehicle Carriers) and IV (Restriction on Certain Maritime Transport Services). On October 10, 2025, USTR announced modifications to certain aspects of the responsive action and solicited public comments on several proposed further modifications to that action.

On October 30, 2025, the United States and China reached a deal on economic and trade relations that included China's commitment to remove its retaliatory measures against U.S. responsive actions taken pursuant to the Section 301 investigation and remove sanctions imposed on various shipping entities. The U.S. has suspended for a period of one year, starting on November 10, 2025, implementation of the responsive actions outlined above.

The United States will consult with China on shipbuilding capacity issues and continue its historic cooperation with the Republic of Korea and Japan on revitalizing U.S. shipbuilding.

Pillar IV: National Security, Economic Security, and Industrial Resilience

A strong maritime industry strengthens U.S. capacity to sustain military logistics, secure vital trade routes, compete in the global maritime economy, maintain a continuous and efficient flow of goods in domestic and international commerce, and, in times of conflict, support a wartime economy. The national security, economic security, and industrial resilience pillar of the MAP includes several interrelated elements designed to translate maritime policy into a strategic advantage. These elements link industrial capacity, fleet readiness, and strategic posture. By integrating defense coordination, procurement reform, reserve readiness, and regional security strategies, these combined efforts enable ready fleets, durable industrial capacity, and measurable national security benefits and economic returns.

Pillar IV of the MAP recommends actions needed to strengthen national security, economic security, and the resilience of the maritime industry, including:

- Strengthening the security and resilience of the MIB through strengthening component supply chains;
- Increasing the fleet of commercial vessels trading internationally under the U.S. flag;
- Establishing a Maritime Security Trust Fund;
- Fostering the development of the autonomous maritime technology industry;
- Developing a strategy to secure Arctic waterways and enable American prosperity in the face of evolving Arctic security challenges and associated risks; and
- Prioritizing the recapitalization of government owned sealift vessels.

Increase the Security and Resilience of the MIB

The MIB is vital to U.S. national and economic security. The statutory basis for U.S. maritime policy affirms the need for a merchant marine to support national defense and domestic and foreign commerce. The U.S. Code establishes five key objectives, including sustaining domestic and international trade capacity, serving as a naval and military auxiliary in emergencies, ensuring U.S. ownership and operation of merchant marine vessels, maintaining high-quality U.S.-built and U.S.-crewed vessels, and providing robust shipbuilding and ship repair facilities as well as the ports to facilitate trade. During World War II, the United States produced thousands of Naval and merchant ships and trained hundreds of thousands of new sailors and mariners, which enabled the Allies to win the war. By 1946, over 70 percent of ocean-going shipping was U.S.-flagged. Today, however, the MIB, particularly in the commercial sector, faces significant challenges, lacking the capacity to meet the demands of prolonged military conflict or to support growing commercial maritime trade.

The rise and preeminence of foreign shipbuilding markets over the last three decades, which has extended also into shipping and logistics, capturing value across the maritime supply chain, has created economic security and national security risks for the United States while also weakening critical maritime supply chain resilience. To that end, the MAP aims to restore U.S. shipbuilding capacity and maritime resilience to ensure America's economic and national security.

As shipbuilding capacity expands, complementary investments in port infrastructure, material handling equipment, and freight logistics are critical to ensure that necessary raw materials and components move efficiently to and from shipyards.

Making the MIB more secure and resilient requires an integrated strategy: durable but intelligent demand signals, scaled and diversified supply chains, modernized shipyards and ports, a larger and better-trained workforce, and rapid adoption of productivity-enhancing technologies. By aligning and leveraging the full suite of existing authorities and programs, and by measuring investments against clear economic security metrics, the United States can accelerate a robust renewal of maritime industrial capacity that meets both national defense and commercial needs.

Recommended Policy Actions

- **Increase Domestic Capacity for Critical Components and Reduce Sole-Source Dependencies**. Decrease single-point failures and foreign dependence by developing domestic capacity for critical components such as large marine engines, reduction gears, propulsion shafts, propellers, forgings and castings, high-strength steels, and advanced electronics. Expand supplier development investments and vendor-qualification support to create secondary sources and shorten lead times to reduce the need for redesigns, cannibalization (*i.e.*, taking parts from one ship to keep another in operation), or workarounds during production and sustainment activities. Support vendor qualification programs and vendor-activation grants to create secondary suppliers and shorten lead times. Invest in domestic raw-material processing for strategic alloys and critical minerals where feasible. Pair supplier investments with procurement commitments and qualification roadmaps to ensure a viable business case for private investment. Enforce usage of the proper Product and Service Codes (PSC) for Federal procurement to incentivize domestic over foreign Trade Agreement Act (TAA) producers for items included in the maritime industrial base USTR exemptions. Raise domestic content price incentives.
- **Embrace Innovation, Technology, Automation and Industrial Modernization**. Adopt and integrate emerging technologies to streamline shipbuilding production, such as AI, additive manufacturing, robotics and automation, Industry-4.0 analytics, modern non-destructive testing techniques, and cold spray repair to boost productivity while reducing reliance on scarce trades. Utilize technologies that shorten part manufacturing and qualification cycles, such as Rapid Applied Materials and Processing and rapid screening of new functional materials. Institutionalize rapid-qualification pathways to accelerate the fielding of matured manufacturing technologies into production and sustainment workflows. Encourage and, as necessary, invest in R&D for modular and robotic ship building techniques to increase the efficiency of the U.S. shipbuilding industry while partnering with allied shipyards to further advance these innovative advanced automation techniques.
- **Improve Supply Chain Resilience**. Purposefully diversify the supply chain to lower the impact of single supplier or regional disruptions, enable quicker response to demand shifts, and encourage competitive pricing. Ensure that original equipment manufacturers (OEMs) outsource to other domestic shipyards as soon as they exceed their own capacity.
- **Define and Measure Clear Economic Security Metrics and Demand Signals**. Establish a defined requirement for economic security, such as the number, sizes, and types of vessels necessary to ensure the continuous flow of goods during a conflict or crisis. The effectiveness and return on investment (ROI) of MIB programs should be measured by how

well they meet the newly established requirement. The requirements should prioritize accelerating and scaling vessel construction and repair, expanding shipyard and supplier capacity, shortening procurement lead times for parts and components, lowering the unit cost of U.S.-built vessels, and broadening the number of operational ports. Maintain a government-wide shipbuilding plan to provide the market with predictable funding and multi-year demand signals that justify private capital and long-term yard investments.

Increase the Fleet of U.S.-Built and U.S.-Flagged Commercial Vessels Trading Internationally

A robust fleet of U.S.-built, U.S.-flagged commercial vessels is indispensable to national security, economic security, and industrial resilience. In times of crisis, America relies on U.S.-flagged commercial vessels and qualified mariners to move defense cargoes and sustain supply chains. However, the size of today's internationally trading U.S.-flagged fleet is insufficient to meet long-term contingency requirements or withstand attrition in a prolonged conflict. As America's shipbuilding industrial base is rebuilt, foreign-built vessels can be brought under the U.S. flag to ferry international trade as a stopgap. However, U.S.-built ships should eventually ferry the nation's international trade once America's capacity and capability for building large ocean-going ships has been restored.

Recommended Policy Actions

- **Establish a Strategic Commercial Fleet (SCF)**. The creation of an SCF, consisting of internationally trading U.S.-built vessels, would provide the depth and redundancy required to sustain military logistics around the globe and ensure the continuous flow of goods to the U.S. economy. Vessels in the SCF would receive financial support for both construction and operation, leveling the playing field between the U.S. and subsidized foreign competition. By supporting both vessel construction and operations, the SCF would build long-term industrial capacity in shipyards and ensure mariners remain trained and available. Complementing the Maritime Security Program and Tanker Security Program, the new SCF would also strengthen national defense by ensuring a reliable and expandable sealift capability.
- **Fund the Maritime Security Program and Tanker Security Program to Authorized Levels**. Funding these programs to authorized levels would directly increase the number of commercial vessels that operate under the U.S. flag and ensure DOW has access to additional sealift capacity should the need arise.

Establish the Maritime Security Trust Fund

The Maritime Security Trust Fund (MSTF) would provide a dedicated, mandatory funding stream to support programs that strengthen the U.S. maritime industry and Merchant Marine. By capturing certain identified revenues, the MSTF would ensure consistent, long-term investment in America's shipbuilding capacity, fleet expansion, and maritime workforce. E.O. 14269 directs OMB, in coordination with DOT, to deliver a legislative proposal for a reliable funding mechanism to sustain MAP programs.

Recommended Policy Action

- **Establish the MSTF**. By securing stable, long-term funding, the MSTF would ensure consistent support for investments in shipbuilding, fleet expansion, industrial base resilience, and maritime workforce development. Authorized expenditures would include

programs identified as helpful for the promotion, growth, and strengthening of the domestic maritime sector.

Prioritize Robotic and Autonomous Systems

Robotic and autonomous systems (RAS) will play a central role in future conflicts. RAS are cheaper to build and more attritable than manned surface combatants and submarines. Thus, RAS can effectively fill out the "Low" of the High-Low Mix and can be ordered affordably in large quantities. RAS can also perform an array of missions – including combat operations, re-supply, and intelligence, surveillance and reconnaissance - can operate autonomously or via remote control, and can be distributed in a networked fashion across large distances.

RAS are also relatively simple to assemble modularly, meaning a host of commercial shipyards and manufacturing facilities throughout the country's interior, as well as on both coasts, the Gulf of America, and the Great Lakes, can build RAS modules or perform final assembly. In short, their production can also be distributed, increasing both competition and shipbuilding capacity while lowering costs.

The USN is already working to incorporate RAS into the fleet. Such efforts must be accelerated, replicated, and institutionalized at scale, leveraging proven private sector designs. Steps should also be taken to standardize RAS hull designs, which can be licensed and built at shipyards and facilities throughout the country. A standardized design will reduce military specification (MIL-SPEC)-creep and enable more rapid and scalable production as well as ready availability of repair parts as needed. Again, here, priority should be placed on existing industry designs.

Recommended Policy Actions

- **Designate Areas for Streamlined Testing**. Given the rapid evolution of robotic and autonomous maritime technologies, current regulatory processes are unable to adapt to the changing nature of the industry creating difficulty for the consistent testing of these technologies within a stable regulatory framework. To ease testing for industry, USCG should establish one or more areas within the EEZ of the United States, to include the Great Lakes region, that would allow for the safe and expedited testing of commercial robotic and autonomous maritime technologies. Appropriate public comment periods should be provided to gather comments on proposed areas. USCG should seek to not excessively impact heavily utilized vessel traffic routes or productive fishing grounds and ensure each area is of sufficient size to meet the needs of industry users. Any designations should be clearly delineated on nautical charts for mariner awareness by DOC.
- **Adopt Modular and Unmanned Capabilities.** Align USCG mission sets around modular platforms, RAS, and less complex vessels where appropriate. Using these capabilities for certain operations would allow higher-end USCG cutters and patrol ships to be reserved for mission-critical requirements. This approach accelerates delivery capability, improves cost efficiency, and encourages innovation in the industrial base.

Arctic Waterways Security Strategy

Arctic waterways provide significant opportunities for the U.S. maritime industry specifically and economic development generally, while concurrently posing great risks, threats, and challenges to trade and national security interests. Receding ice and technological innovations are enabling greater maritime access to the region, leading to an increased interest in its

resources and waterways for trade routes, scientific research, national security, and strategic advancement by the United States and its allies but also its strategic competitors.

Persistent underinvestment and inattention to defense and exploration by Arctic allies in the region, as well as increased and coordinated military and economic activity by strategic competitors, threaten U.S. and allied security in the Arctic. Current commercial port infrastructure and maritime resources and technology are limiting U.S. activities in the region, impacting national defense and economic development.

However, shipping routes are becoming more navigable throughout the year, reducing time and fuel needs and providing alternative waterways in the event of geopolitical issues. The United State should seize this opportunity to secure access to Arctic waterways for commercial use. Changing conditions in the Arctic also provide opportunities for increased Arctic seabed activities, such as deploying cables critical for data transmission and mineral resource extraction. Similarly, the expansion of sustainable Arctic fisheries has the capability to bolster commercial production. Securing the Arctic region and its waterways will ensure that the United States and its maritime interests are defended and strengthened, allowing for economic growth and greater prosperity for the American people.

Recommended Policy Actions

- **Enhance Arctic Presence**. DHS and USCG will increase U.S. maritime presence in the Arctic region and increase polar icebreaking capabilities to enable reliable, continued access. Prioritize capabilities and capacities necessary to advance U.S. security objectives including using surface assets, aviation assets, properly trained and equipped personnel, and cooperation with Arctic allies. Continue to carry out USCG and DOW training and exercise activities in the region and guarantee U.S. access to key Arctic locations for national security purposes, working with allied nations to share the burden of maintaining access to and defense of the region. To that end, DOS, in consultation with DOW, will engage allies and industry partners to increase their maritime presence in the Arctic region.
- **Improve Domain Awareness**. Federal agencies, in collaboration with other Federal research entities and allied Arctic nations, should strengthen information sharing networks and data collection and analytical tool capabilities. In addition, agencies should pursue development of next-generation unmanned air, surface, underwater, and space-based systems to help monitor the region, augmenting maritime domain awareness for security and defense purposes. Collaborate on advanced research projects with DOT's Office of the Assistant Secretary for Research and Technology on technologies and capabilities to limit vessel electronic signatures.
- **Improve Positioning, Navigation, and Timing (PNT) in the Arctic Region**. The positioning performance of global navigation satellite systems (GNSS) such as the U.S. Global Positioning System (GPS) can be significantly degraded in the Arctic region due to satellite geometry. Specifically, satellites in inclined orbits yield fewer high-elevation satellites, impairing accurate positioning and timing. To improve PNT performance, MARAD should leverage efforts related to E.O. 13905, "Strengthening National Resilience Through Responsible Use of Positioning, Navigation, and Timing Services," including its pilot programs, as well as the DOT's Complementary PNT program.
- **Enhance Communications Infrastructure and Partnerships**. DOW and DHS should explore improvements to satellite communications through commercial and military partnerships to improve tactical, strategic, and commercial communications. Enhance

terrestrial high-frequency radio communications infrastructure to overcome the unique challenges posed by the region and ensure resilient communications.

- **Develop and Protect Defense and Security Infrastructure**. Modernize aging infrastructure in Alaska and Greenland. Invest in the USCG's icebreaker fleet and high latitude operations for USCG and DOW forces to ensure national security and defense. Strengthen the network of government and commercial operating locations, composed of sub-Arctic force generation bases, primary in-region locations, and remote operating sites to empower operations of USCG and DOW forces in the Arctic.
- **Empower Arctic Allies**. Support European Arctic allies' efforts to secure the European Arctic region, while the United States secures the North American Arctic along with Canada.
- **Respond to Excessive Maritime Claims**. The United States will protest the unilateral actions of States that threaten America's rights, freedoms, and lawful uses of the seas in the Arctic region recognized under international law.
- **Ensure Freedom of Navigation**. DOW and DHS will continue to conduct exercises, operations, and routine transits in the Arctic region consistent with international law, and in coordination with Arctic allies. These activities are crucial to the mobility of U.S. forces and international commerce.
- **Enhance International and Multilateral Cooperation**. The United States will work with international bodies and multilateral organizations to increase Arctic waterway safety and openness to U.S. maritime activity. As part of an America First agenda, Federal agencies will work to protect U.S. interests in the implementation and enforcement of existing international maritime agreements. DHS and USCG will continue to strengthen the Arctic Coast Guard Forum and advance national interests in coordination with other Arctic coast guards to promote maritime safety.
- **Build a Safe and Secure U.S. Arctic Marine Transportation System (MTS)**. Create a robust MTS to enhance U.S. security and resilience in the Arctic, improving and maintaining the infrastructure critical for safe maritime transportation and economic development. Assess current infrastructure and workforce capabilities and gaps as they relate to deep draft ports, vessel traffic management, cyber threats, natural hazards, communications, mineral and energy extraction, and more. Continue to evaluate the potential of an Arctic Seaway and evaluate current grant, loan, and financing programs for critical Arctic infrastructure that will support economic and national security.
- **Develop and Protect Sustainable Fisheries**. Leverage research and data on Arctic fish stocks to inform future decisions on the viability of commercial fisheries, cooperating with other nations to manage fisheries sustainably in the high seas regions of the Arctic and combatting illegal, unreported, and unregulated fishing. Protect fisheries in the U.S. EEZ and defend seafood markets from unfair trade practices.
- **Expand Seabed Activities**. Support investment into exploratory and developmental seabed activities, such as deep-sea science, mapping, and marine technologies to characterize and mine seabed critical mineral and ore resources. Partner with Arctic allies to develop seabed mineral resources in the areas within their national jurisdiction, positioning U.S. companies to support mining efforts. Develop a more robust domestic supply chain for critical minerals, including streamlining permitting, to support economic growth, domestic industry, and military preparedness.

- **Secure Energy Development Opportunities**. Enhance security of the Arctic energy sector, which contains vast energy resources capable of promoting American energy resilience. Modernize Alaska's port energy infrastructure identifying risks, threats, and alternative energy sources. Ensure the ongoing security of the Alaska Liquified Natural Gas (LNG) Project currently under construction, as this is an economic and resilience asset to the Nation.
- **Increase Maritime Access for Terrestrial Mining Resources**. Foster the development of PPPs to support the maritime industry's ability to provide safe and efficient transportation of ores and critical minerals from the Arctic region as these resources become more accessible due to melting ice and milder temperatures.

Inactive Reserve Fleet

The U.S. inactive reserve fleet is funded through appropriations to the DOW and managed by MARAD. The fleet includes inactive warships maintained by the USN and the MARAD-managed National Defense Reserve Fleet (NDRF). The NDRF is a fleet of Government-owned vessels that can be readied for use to respond to national emergencies. A subset of the NDRF is the RRF, which is kept at a higher level of readiness for activation within five days. The RRF provides surge sealift capacity for DOW and is essential to national defense, providing an integral component of America's global force projection strategy. To ensure immediate availability, each vessel must maintain a minimum of seven steaming days' worth of fuel and 45 days' worth of lubricating and other oils. MARAD provides continuous readiness updates to DOW through formal reporting systems.

Inactive reserve fleet maintenance is complicated by the need for the vessels to be geographically dispersed, the advanced age of the vessels, the difficulty of securing spare parts, and the costs associated with maintenance and logistics. Recruiting and retaining qualified civilian mariners to maintain and operate vessels on activation is also a recurring challenge given the limited training pipeline and competition from the private sector. For the RRF, participation in realistic mobility exercises adds wear and tear to the vessels and drives up operational costs; however, these drills are essential to maintaining operational readiness of both vessels and mariners.

A renewed inactive reserve fleet will require significant investment for recapitalization and maintenance, supported by rigorous cost-effectiveness analysis of alternative implementation scenarios. Current infrastructure at sites storing inactive vessels is inadequate: maintenance capacity, pier space, and necessary services (notably shore power) fall short of what a reserve fleet requires.

Recommended Policy Actions

- **Enhance the Interagency Budgeting Process**. The DOW-DOT partnership must focus on accurate, forward-looking budget forecasting and prioritize funding for the critical maintenance, modernization, and recapitalization efforts needed to sustain the readiness of this indispensable national asset. The development of more sophisticated analytical capabilities, potentially supported by enhanced data collection and predictive models, will allow greater precision in the budgeting process, accurately reflecting fleet lifecycle costs, recapitalization options, and estimated ROI levels.
- **Build Partnerships and Engage Stakeholders to Promote Maintenance of the Fleet**. Renewed activity in forums such as the Government Shipbuilding Council will foster closer

cross-agency relationships to work through challenges facing the reserve fleet and engage stakeholders in this effort.

- **Recapitalize the RRF**. DOT shall utilize existing funding to establish a VCM program for the recapitalization of the RRF through a new construction approach to complement the ongoing procurement of used vessels. The USN and United States Transportation Command must prioritize finalization of the design requirements to ensure the expedient establishment of such a program and begin construction to ensure readily available access to assured sealift capacity.

Deregulatory Actions

A structured and resilient regulatory framework is necessary to provide industry a reliable and predictable operating environment. However, often times, the current U.S. maritime regulatory regime contains standards that in many cases are inflexible, antiquated, and are not net beneficial to the U.S. economy, placing an undue burden on domestic operators. The United States must continue to prioritize deregulation, streamlining, and regulatory modernization within the maritime industry to ensure U.S.-flagged vessel operators are not burdened with unnecessary regulatory requirements that place them at a disadvantage compared to foreign competitors. Additionally, existing regulatory frameworks must be updated to be technology neutral, performance-based, and to better accommodate emerging fields in the maritime industry, particularly with respect to unmanned and autonomous technologies and advanced nuclear (including nuclear waste) technology.

Deregulatory actions, including the elimination of outdated rules, streamlined compliance, and clarified policies, will reduce unnecessary costs and burdens on industry participants, catalyze innovation, and foster a more efficient maritime sector. Accordingly, the recommendations provided in this section are guided by three objectives:

- Eliminating outdated, redundant, or unnecessary regulations that impose undue burdens on the maritime industry;
- Streamlining the compliance process to expedite permitting, inspections, and data handling; and
- Clarifying regulations and policies to reduce ambiguity and ensure existing regulations are applied consistently.

The Administration has already begun dismantling unnecessary and burdensome regulations pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. USCG finalized 19 deregulatory actions in FY 2025, providing flexibility in several areas that have long presented issues for the industry. USCG has been active in its engagement with industry in planning further deregulatory actions for FY 2026 and after. USCG is also working with the interagency to tackle issues that require coordinated action among several agencies to provide regulatory relief. MARAD has taken action to eliminate several outdated provisions in the Code of Federal Regulations. These deregulatory efforts reflect a modernization of the means by which participants in MARAD programs prove they are U.S. citizens. These and other deregulatory efforts will ease regulatory burdens on businesses, large and small, in all aspects of the maritime industry.

The following sections summarize the recommendations provided across multiple agencies within the Federal Government under these themes.

Elimination of Redundant, Obsolete, or Unduly Burdensome Regulations

Agencies identified many areas where regulations overlapped with one another, no longer reflected the modern maritime landscape, or placed disproportionate demands on stakeholders relative to the benefits the regulation provides. The following recommendations were provided as opportunities to mitigate these effects.

Recommended Policy Actions

- Evaluate and reduce duplicative or burdensome data collection and reporting requirements.

- Remove duplicate inspections and certification requirements where authorized agents or classification societies already ensure compliance (*e.g.*, portable accommodations, marine equipment testing).
- Reduce inspection, testing, and other redundant obligations under Marine Equipment Regulations II and related guidance.
- Remove outdated prescriptive requirements for container construction (Navigation and Vessel Inspection Circular [NVIC] No. 8-00), foam firefighting systems, and liquified natural gas (LNG) bunkering safety and security provisions to reflect current technologies and risk management.
- Eliminate dated NVIC requirements that are superseded by modern practices (*e.g.*, NVIC No. 10-97 for cargo securing, NVIC No. 11-91 for jackup drilling units).
- Eliminate inspection of unmanned non-tank barges on the Great Lakes.
- Ease watch monitoring devices and related administrative burdens for covered small passenger vessels with overnight accommodations.
- Raise the major marine casualty property damage threshold (raise from $500,000 to $2,000,000) to better prioritize investigative resources.
- USACE should consider revising regulations governing port access and navigation infrastructure to identify and remove outdated reporting and procedural requirements that create unnecessary delays or inconsistent regional implementations.
- Adjust the EPA's Engine International Air Pollution Prevention (EIAPP) Certificate requirements to reduce frequent barriers encountered by vessel owners during the process of flagging vessels into the United States registry.

Streamlining of Compliance Processes

Optimizing the compliance process by simplifying procedures and harmonizing requirements across regulations provides the opportunity to reduce administrative burdens and improve compliance outcomes. This section describes the recommendations provided by regulatory agencies to streamline the regulatory requirements of the maritime industry.

Recommended Policy Actions

- Streamline and narrow the scope of risk assessments for recurring operations (*e.g.*, LNG bunkering) to reduce duplicative analysis and speed approvals.
- Improve National Environmental Policy Act (NEPA) review efficiency through new implementing procedures developed by maritime regulatory agencies including USACE in coordination with the Council of Environmental Quality. These procedures aim to reduce delays in Clean Water Act and Rivers and Harbors Act permitting, while maintaining statutory compliance.
- Ensure continuity of the Nationwide Permit Program by reissuing and maintaining nationwide permits before their March 2026 expiration to avoid project delays and provide greater certainty to port developers and shipyard projects.
- Prioritize permit applications for port infrastructure projects in navigable waters, including shipyard expansions and dredging of access channels, as directed by E.O.s 14154, 14156, 14261, and 14269, to accelerate critical industrial and energy initiatives.

- Work towards a 100 percent vessel utilization rate of CBP's Vessel Entry and Clearance System, automating and digitizing the Entrance and Clearance Process.
- Update CBP and other data-reporting requirements to enhance cargo safety and security while minimizing disruption to commerce.
- Ensure government electronic data interfaces are web accessible whenever possible to minimize compliance friction for industry.
- Conform forms, systems, and regulatory processes to recent USCG rules to lower barriers to MMCs.
- Expand use of electronic navigation instruments to reduce equipment compliance burdens.
- Remove or revise select merchant mariner training requirements and reduce mandatory able-seaman billet requirements for certain Standards of Training, Certification, and Watchkeeping for Seafarers-subject vessels to ease workforce constraints.
- Permit underwater surveys in lieu of drydocking where safe and appropriate (update to NVIC No. 01-89 Ch.1).
- Revise 33 CFR Part 72 for modern transmission of marine information products.
- Implement or update traffic separation schemes and related rules to prevent obstructions and preserve commercial and defense access to ports.
- Coordinate DOW (USACE), DOT, DHS, and stakeholders to identify and eliminate non-substantive procedural barriers in Corps permitting.

Clarification of Regulations and Policies

Another way to reduce the regulatory burden on the maritime industry is to address ambiguities in existing rules and refine policy language to improve understandability and consistency. The following recommendations seek to clarify regulatory policies:

Recommended Policy Actions

- Clarify the definition of "Waters of the U.S." under the Clean Water Act in line with the March 2025 Environmental Protection Agency (EPA) and U.S. Army joint memorandum implementing the Supreme Court's decision in *Sackett v. EPA*. This clarification will help reduce uncertainty for port developers and shipyard operators seeking permits for construction and dredging.
- Explain eligibility for foreign-built vessels to be inspected and certificated under the Maritime Security Program.
- Update and harmonize public guidance and field-staff training to ensure consistent interpretation and application of environmental and navigation statutes across USACE districts and USCG sectors.
- Federal agencies will also review and update public guidance to ensure consistent interpretation of environmental and navigation statutes across regions, reducing variance in permitting outcomes and supporting timely investment in maritime infrastructure.

Regulatory Updates to Account for Autonomous Vessels

As industry moves towards increased use of commercial autonomous vessels, regulatory frameworks originally designed exclusively for vessels navigated by humans onboard may

need to be updated. This section identifies the types of gaps in legislation and the modern regulatory landscape.

Recommended Policy Actions

- **Definitions and Classifications.** Autonomy levels are not clearly established in current regulations. This creates uncertainty for industry participants and can lead to confusion when comparing domestic and international definitions, resulting in inconsistent compliance outcomes.
- **Manning, Remote Operations, and Human Factors.** Regulations do not account for the unique staffing, credentialing, and oversight needs of autonomous or remotely operated vessels. There are no clear standards for qualifying remote operators, designing and certifying control centers, or ensuring safe workloads when operators may supervise multiple vessels from shore. Human factors such as ergonomic control station design, standardized interfaces, and limits to prevent fatigue are also overlooked, increasing the risk of error. Updating rules to address manning requirements, remote operations infrastructure, and human-machine interaction will be critical to ensuring safe and effective MASS operations.
- **Operations, Navigation, Communications & Traffic Management.** There are no established procedures or protocols for verifying AI-driven navigation decisions or equating the responsibilities of onboard crews with remote operators. In addition, communication standards lack provisions to support autonomous vessel interactions, hindering traffic management and safe maneuvering in shared waterways. Addressing these gaps through updated and standardized communication protocols is essential for safe integration of autonomous systems into existing maritime traffic environments.
- **Safety, lifesaving, and emergency response.** Modern safety and emergency regulations assume the presence of onboard crew for lifesaving equipment deployment, evacuation, firefighting, search and rescue, and pollution response. Autonomous vessels lack clear standards for automated activation, remote intervention, and autonomous systems capable of handling spills or emergencies. In addition, environmental regulations require manual leak detection, reporting, and pollution control, with no provisions for automated compliance or accountability in unmanned operations. Correcting these deficiencies is essential to ensure that autonomous vessels can maintain safety and environmental protection without human presence onboard.
- **Inspection, certification, and approval pathways.** The current regulatory frameworks lack clear pathways for testing, certifying, and approving autonomous maritime technologies prior to deployment. There are no established processes for remote inspections, pilot trials in designated test zones, or standardized transparency in reporting test outcomes. Furthermore, technical standards for interoperability, communication protocols, system maintenance, data recording, and human oversight may be insufficient. Developing comprehensive certification procedures alongside robust technical and operational standards is critical to facilitate the reliable and safe adoption of autonomous vessels.
- **Cybersecurity, Data Integrity and Connectivity.** The lack of cybersecurity standards regarding autonomous vessels creates vulnerabilities in onboard systems, including weaknesses in encryption, authentication, and design features intended to prevent cyber intrusions—and regulatory analyses and test protocols generally fail to account for vessel autonomy when assessing cyber exposure.

- **Sensor, Navigation Systems, and Data Fusion.** Standards for sensor resilience, multi-sensor fusion, and alternative navigation methods essential for autonomous vessels are lacking in the current landscape of maritime regulation. There are no protocols ensuring fail-safe conditions, or redundant sensor systems to guarantee safe navigation in complex environments like ports. Filling these gaps helps enable reliable and safe operations of autonomous vessels.
- **Liability, Insurance, and Legal Accountability.** Regulatory frameworks do not clearly assign legal pathways for autonomous vessel salvage operations or legal responsibility for accidents involving autonomous systems, leaving uncertainty over whether owners, operators, manufacturers, or remote operators are liable. This complicates insurance coverage and claims handling because existing maritime tort and insurance rules presume human-controlled vessels. Establishing clear liability rules is essential to enable predictable insurance, and accountability.
- **Governance, Interagency Coordination, and Infrastructure Readiness.** Current frameworks lack a coherent policy to align port infrastructure, performance-based regulation, emergency resilience, and governance for autonomous vessel operations. Ports need clear standards and investment guidance for automated mooring, connectivity, and shore systems, while regulators must shift from prescriptive, crew-centric rules to goal-based standards and defined autonomy tiers that allow safe, flexible operations. There is also no policy linking automation to continuity planning for large-scale disruptions nor protocols for using autonomous systems to sustain essential maritime services during crises. Finally, fragmented jurisdictional authority and incomplete international alignment create legal uncertainty for remote operations and foreign-built autonomous vessels. Establishing coordinated Federal-state governance, funding pathways for port upgrades, performance-based regulatory instruments, and international harmonization will be essential to integrate commercial autonomous vessels safely and resiliently into the maritime system.

By modernizing the regulatory environment, the United States can lead in the global race for maritime innovation, ensure safety and security, and unlock new industrial and economic opportunities across the maritime sector.

Implementation of Potential Legislative Proposals

Legislative Efforts to Strengthen the Maritime Industry

A whole-of-government approach, including support from Congress, is required to restore America's maritime dominance. Sweeping legislation that seeks to address the vulnerabilities in our domestic maritime industry has been introduced in both chambers of Congress in the 119th Congress. These bills, titled the Shipbuilding and Harbor Infrastructure for Prosperity and Security Act of 2025 (SHIPS Act) and the Building Ships in America Act of 2025, propose many actions to rebuild the U.S. maritime sector.

Stemming from President Trump's E.O. on Restoring America's Maritime Dominance, the Trump Administration is compiling its own package of legislative proposals designed to strengthen the maritime industry. These legislative proposals will provide foundational support to this critical industry, ensuring growth and prosperity well into the future. Of note, these proposals seek to:

- Enforce the payment of fees at our borders and prevent the circumvention of certain charges by importing through land borders as opposed to maritime ports;
- Create a Maritime Security Trust Fund that will serve as a reliable funding source for consistent support of programs detailed in this MAP;
- Provide for the creation and improvement of programs that will incentivize private investment in commercial shipbuilding, commercial shipyards, and repair facilities;
- Organize Maritime Prosperity Zones, modeled off of Opportunity Zones, to incentivize and facilitate domestic and allied investment in U.S. maritime industries and waterfront communities;
- Establish national maritime scholarships and other opportunities to better facilitate the training of students abroad as well as bringing maritime experts from allied countries into the United States to teach Americans domestically; and
- Ensure adequate cubed footage and gross tonnage of U.S.-flagged commercial vessels to be called on in times of crisis through incentives that will grow the fleet of U.S.-built, crewed, and flagged vessels that participate in international trade.

These proposals will be consistent with Administration policy and fall within the scope of the Trump Administration's overall budget. As such, the Trump Administration intends to transmit these proposals as a package following publication of the FY 2027 President's Budget Request.

Together, these legislative proposals form a comprehensive blueprint for restoring America's maritime strength. The Trump Administration urges Congress to enact this package in tandem with existing legislative vehicles, ensuring the U.S. maritime industry is equipped to meet the demands of global competition, national defense, and economic growth. Taken together with the direction provided by the President in his E.O., this MAP, with its inclusive list of legislative proposals, meets the urgent needs of the nation.

Conclusion

Sea power has long been a cornerstone of America's global leadership—not merely through naval strength, but also through the ability to move goods across oceans and safeguard vital shipping lanes. In the 20th century, dominance in shipbuilding and shipping, paired with formidable naval capabilities, propelled the United States to great power status and proved decisive in securing Allied victories in both World Wars. Today, both commercial ships and USG auxiliary ships continue to serve indispensable roles, ferrying trade and providing logistical support to U.S. Armed Forces in peacetime and strategic sealift in times of conflict.

Yet the Nation's maritime capabilities have eroded dramatically in recent decades. The number of active shipyards has dwindled, and oceangoing commerce is now dominated by foreign-built, foreign-crewed, and foreign-flagged vessels. This has created strategic vulnerabilities and left the U.S. economy in a weakened state.

President Trump's E.O. 14269, "Restoring America's Maritime Dominance," took the first critical step towards rebuilding the MIB and its supporting workforce. President Trump also recognized, however, that such an ambitious objective was too complex and interconnected to be addressed through piecemeal actions. For example, financial incentives to increase shipbuilding may not bear fruit if they are not accompanied by changes in procurement rules or are undermined by uncoordinated trade policies. Likewise, increases in U.S. vessel production will have limited impact if they are not matched by a corresponding increase in the skilled mariner workforce. Accordingly, President Trump directed bold, decisive, whole-of-government action to be enumerated in this MAP, developed with the input of experts from across the Federal Government.

The MAP lays out a comprehensive, coordinated approach across multiple Federal agencies with maritime responsibilities, in conjunction with allied nations, private sector partners, and State and local governments. It is organized around four key pillars:

- Rebuilding U.S. Shipbuilding Capacity and Capabilities
- Reforming Workforce Education and Training
- Protecting the Maritime Industrial Base
- Supporting National Security and Industrial Resilience

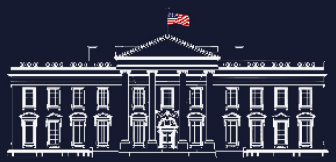
Together, these pillars form a unified strategy to restore American maritime strength. The MAP's recommended policy actions and forthcoming legislative proposals range from those that increase domestic shipbuilding capacity and expand mariner training to those that establish new funding streams and financial incentives, streamline regulations, reform procurement processes, promote advanced technologies and novel manufacturing techniques, and increase demand for U.S.-built ships. The execution of this plan will reestablish America's position as a global maritime power, strengthening U.S. national security and ensuring greater economic prosperity.

List of Acronyms

AI	Artificial intelligence
AM COE	Additive Manufacturing Center of Excellence
ART	Agreement on Reciprocal Trade
ATDM	Accelerated training in defense manufacturing
APNSA	Assistant to the President for National Security Affairs
CBP	Customs and Border Protection
CCF	Capital Construction Fund
CCFS	Capital Construction Fund for Shipyards
CFR	Code of Federal Regulations
CMP	Campus modernization plan
COE	Centers of excellence
COTS	Commercial off-the shelf
CRF	Construction Reserve Fund
CNC	Computer numerical control
E.O.	Executive Order
DHS	Department of Homeland Security
DOC	Department of Commerce
DOEd	Department of Education
DOGE	Department of Government Efficiency
DOL	Department of Labor
DOS	Department of State
DOT	Department of Transportation
DOW	Department of War
EPA	Environmental Protection Agency
DPA	Defense Production Act
EIAPP	Engine International Air Pollution Prevention
FFP	Fisheries Finance Program
FY	Fiscal year
HMF	Harbor Maintenance Fee
IBAC	Industrial Base Analysis and Sustainment
LNG	Liquefied natural gas
MAP	Maritime Action Plan
MARAD	Maritime Administration
MASS	Maritime Autonomous Surface Ships
MCP	Merchant Credentialing Program
META	Maritime Environmental and Technical Assistance Program
MIB	Maritime Industrial Base
MIP	Mariner Incentive Program
MMC	Merchant Mariner Credential
M2M	Military-to-Mariner
MPZ	Maritime Prosperity Zone
MSTF	Maritime Security Trust Fund

MTS	Marine Transportation System
MWIP	Maritime Workforce Incentive Program
NATO	North Atlantic Treaty Organization
NDRF	National Defense Reserve Fleet
NDT	Non-destructive testing
NEPA	National Environmental Policy Act
NMERPAC	National Merchant Marine Personnel Advisory Committee
NOAA	National Oceanic and Atmospheric Administration
NSF	National Science Foundation
NVIC	Navigation and Vessel Inspection Circular
OSC	Office of Strategic Capital
OMB	Office of Management and Budget
OZ	Opportunity Zone
PIDP	Port Infrastructure Development Program
PPP	Public-private partnership
PRC	People's Republic of China
R&D	Research and development
ROI	Return on investment
RRF	Ready Reserve Force
SCF	Strategic Commercial Fleet
SIP	Student Incentive Payments
SMA	State Maritime Academy
TIFIA	Transportation Infrastructure Finance and Innovation Act
USACE	U.S. Army Corps of Engineers
U.S.C.	U.S. Code
USCG	U.S. Coast Guard
USCMI	U.S. Center for Maritime Innovation
USG	U.S. Government
USMMA	U.S. Merchant Marine Academy
USN	U.S. Navy
USV	Unmanned Surface Vehicles
USTR	U.S. Trade Representative
UUV	Unmanned Underwater Vehicles
VCM	Vessel Construction Manager

This page intentionally left blank.



THE WHITE HOUSE

WASHINGTON