

Transportation Trades Department, AFL-CIO

July 22, 2025

Dear Representative:

On behalf of our affiliated unions representing hundreds of thousands of workers who build, operate, and maintain our nation's transportation networks, the Transportation Trades Department, AFL-CIO (TTD), *urges you to cosponsor H.R. 3151, the SHIPS for America Act of 2025*. This bill represents the most comprehensive effort by Congress to revitalize our nation's maritime supply chains in decades and will deliver policy solutions to encourage investment in the U.S. shipping industry and rebuild America's maritime capability.

Expanding America's Fleet

The SHIPS Act would establish a new Strategic Commercial Fleet Program (SCFP). SCFP would incentivize a fleet of U.S.-flagged, U.S.-built, and U.S.-crewed vessels in international commerce that are militarily useful and commercially viable, with the aim of growing the U.S.-flagged fleet by 250 ships. The bill also creates incentives for moving import and export cargo on U.S.-flagged vessels and to reform outdated regulations that undermine the competitiveness of the U.S.-flagged fleet. Furthermore, the bill authorizes \$250 million annually for the next 10 years for domestic shipbuilding projects and expands the Assistance for Small Shipyards grants to \$100 million annually. It also establishes a financial incentive program to support investments in U.S. shipbuilding, shipyards, and critical supply chain facilities. Lastly, the bill proposes essential reforms to the Title XI Federal Ship Financing Program to ensure that America's shipbuilding industry not only survives but can viably compete in the global market.

Increase U.S. Cargo Preference

To further strengthen the U.S.-flag fleet, the SHIPS Act would increase the percentage of U.S. government cargo that must sail on U.S.-flagged vessels to 100 percent. The bill would also require the establishment of a new commercial cargo preference standard, which would mandate that 10 percent of all cargo imported to the United States from China be carried on U.S.-flagged vessels. Furthering the advantage for shippers to use U.S.-flag vessels, this bill would also establish that U.S.-flagged vessels shall be given priority over waiting foreign vessels at any U.S. port.

Invest in the U.S. Maritime Workforce

This bill makes important investments in the education pipeline for this workforce as well, including running public recruitment campaigns, funding Centers of Excellence for Domestic Maritime Workforce Training and Education, identifying opportunities for retiring military service members to transition to a maritime career, modernizing infrastructure and facilities at the U.S. Merchant Marine Academy, and providing dedicated funding to State Maritime Academies.

The SHIPS for America Act of 2025 offers a comprehensive and coordinated strategy to revitalize our domestic maritime industry. As America's largest transportation labor federation, TTD strongly endorses this bill, which will institute reforms long sought by labor to strengthen America's maritime workforce and our national and economic security.

To become a cosponsor of this legislation, please contact Semaj Redd at <u>Semaj.Redd@mail.house.gov</u> in Representative Trent Kelly's office or Robert Hurd at <u>Robert.Hurd@mail.house.gov</u> in Representative Garamendi's office. For additional questions or further information, please contact Lianne Endo at <u>LianneE@ttd.org</u>.

Sincerely,

Greg Regan
Transportation Trades Department, AFL-CIO