



Statement for the Record - SHIPS for America Act

United States Senate Committee on Commerce, Science, and Transportation
Subcommittee on Coast Guard, Maritime, and Fisheries

Sea Change: Reviving Commercial Shipbuilding

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By

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Chairman Sullivan, Ranking Member Blunt-Rochester, and Members of the Subcommittee,

With Honor Action is pleased to submit this statement for the record, and appreciates the subcommittee for recognizing this consequential issue of maritime security and for holding today's hearing. We are a bipartisan, nonprofit organization that strives to strengthen democracy and fight polarization in Congress through principled veteran leadership. This includes endorsing legislative solutions to our nation's most pressing threats, connecting Members across the aisle to forge bipartisan bonds, and building coalitions of like-minded organizations to demonstrate overwhelming support for commonsense policies. With Honor works with the 37 members of the For Country Caucus in the House of Representatives, all of whom are military veterans, and have taken our pledge of integrity, civility, and courage. We also work closely with our 11 Senate allies, which includes the leaders of the SHIPS for America Act, Senators Todd Young (R-IN) and Mark Kelly (D-AZ), both military veterans. These Congressional leaders leverage their military experience and leadership to build support for and pass legislation in the national security, national service, and veterans spaces. The issue of maritime security and our maritime industrial base is just one area where we have worked on a bipartisan basis to drive support for much-needed legislation.

With Honor Action strongly supports the SHIPS for America Act because it strengthens domestic shipbuilding, enhances our national security, and revitalizes our industrial base. This legislation has strong bipartisan and bicameral support with over 110 House cosponsors and 9 Senate cosponsors. Senators Young and Kelly, both military veterans, and both from states without a history of shipbuilding, have championed the SHIPS Act not for political gain, but because it is the right thing to do for our country.

In the United States, commercial shipbuilding has receded to an all time low. In the last 10 years, China has built 6,765 commercial ships, Japan has built 3,130 commercial ships, South Korea has built 2,405 commercial ships while the U.S. has only produced 37 commercial ships.¹ Gaps between the United States' and China's shipbuilding capacities surpass a simple overreliance on Chinese manufacturing- it is society-wide. According to the Congressional Research Service, in 2022, there were 1,794 ships under construction at Chinese shipyards, compared to only five in

¹ "USW Continues to Lead Drive to Rebuild Shipbuilding Industry - United Steelworkers." United Steelworkers, 13 Aug. 2025, [usw.org/news/usw-continues-to-lead-drive-to-rebuild-shipbuilding-industry](https://www.usw.org/news/usw-continues-to-lead-drive-to-rebuild-shipbuilding-industry).



the U.S..² In terms of “gross tons,” or the measure of a ship’s volume, China, Korea, and Japan build over 90% of the world’s tonnage, compared to the United States’ 0.2%.³

The United States’ minuscule market share of global shipbuilding predates China’s ascension to the majority of the market. The last time America was a leader in peacetime global shipbuilding was during the early 1800s, when ships were still made of wood. Ship manufacturing exploded during the World War era, but these cargo ships were soon sold to private merchants and replaced with more efficient foreign-manufactured ships.

There is finally an issue of worldwide overcapacity. Despite being enormous companies (the three largest shipbuilding firms in China, Korea, and Japan, nine in total, account for 75% of global shipbuilding capacity), firms in Korea and Japan often operate at a loss, requiring government bailouts or relying heavily on subsidies.⁴ They alternatively may be a part of a large conglomerate (e.g., Samsung and Hyundai) where profit margins in more profitable areas of the company help weather losses in shipbuilding. In China, 36 of the 100 largest shipyards are owned by the national government, 10 by local governments, and 54 are privately owned.⁵ The government-owned yards accounted for 64% of ship tonnage built in China in 2021.⁶ The United States’ commercial maritime industry simply cannot compete on such an unfair playing field. Our policy makers and industry leaders need to work together to develop innovative solutions to bring back commercial shipbuilding to the United States. With Honor Action applauds the efforts of Senators Young and Kelly as well as Congressmen Kelly and Garamendi.

With Honor Action urges the Committee to ensure sustained funding for the shipbuilding workforce development programs, and to support amendments that incentivize the use of U.S.-built vessels. We thank the Committee for holding today’s hearing and for their consideration of this vital legislation. By supporting this legislation, we are demonstrating that we view maritime capacity not as a relic of the past, but as a strategic asset for the future. With Honor Action is a strong supporter of the SHIPS for America Act and we urge Congress to pass this important national security legislation as soon as possible.

² Frittelli, John. “U.S. Commercial Shipbuilding in a Global Context.” Congressional Research Service, 15 Nov. 2023, www.congress.gov/crs-product/IF12534.

³ Ibid.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.