

Congress of the United States

Washington, DC 20515

March 26, 2026

The Honorable Steve Womack
Chairman
House Committee on Appropriations
Subcommittee on Transportation
Housing and Urban Development
and Related Agencies

The Honorable Jim Clyburn
Ranking Member
House Committee on Appropriations
Subcommittee on Transportation
Housing and Urban Development
and Related Agencies

Dear Chairman Womack and Ranking Member Clyburn:

As you begin consideration of the Fiscal Year 2027 Transportation, Housing and Urban Development appropriations bill, we urge you to fund the U.S. Department of Transportation Maritime Administration (MARAD) Small Shipyard Grant Program at a level of \$105,000,000. This is the current authorized level for the program. We applaud your commitment to this vital program that helps modernize the country's small shipyards and repair facilities, while spurring American manufacturing and supporting local economies.

We are at a critical juncture for the U.S. maritime industrial base. Bipartisan leaders, including President Trump, have called for a renewed American leadership in shipbuilding and increased competition in global maritime markets. To achieve this, we must strengthen and grow U.S. shipyards. As proposed in the President's recent Maritime Action Plan, increased funding for the Small Shipyard Grant Program is an effective and timely way to meet these ambitious goals.

Small shipyards, located on our coasts and inland waterways, are the lifeblood of the maritime industrial base. These shipyards are responsible for building and maintaining more than 40,000 commercial workboats in the U.S. flag fleet, helping ensure that maritime transport remains one of the safest and most energy-efficient forms of transportation for both passengers and goods. Additionally, they play a crucial role in maintaining the U.S. commercial fishing fleet, providing them with safe, modern, and reliable vessels. Furthermore, small shipyards are integral to building and maintaining vessels vital to transportation safety and law enforcement, such as U.S. Coast Guard (USCG) ships, dredges, icebreakers, research and military vessels, and fire and rescue boats. The program helps keep America's shipbuilding industry strong, all while supporting military readiness and global commerce.

The U.S. working waterfront faces several threats, including capacity limitations, workforce challenges and constant development pressure. For instance, shipyard service capacity limitations can lead to longer wait times for vessel owners in certain markets, including the inland waterways. Shipyards are also finding it difficult to recruit and retain workers, as low unemployment levels and higher pressure on wages shrink the pool of available workers. This labor pool is shared by larger military-focused shipyards, which face similar challenges. Further, pressure to develop waterfront property into luxury residential or other uses has contributed to a shrinking maritime industrial base, as shipyards struggle to keep up with significant infrastructure investments required for their sites.

The renewed federal focus on U.S. shipbuilding highlights the urgent need to modernize waterfront industrial facilities, and recruit and upskill workers. The Small Shipyard Grant Program is ideally suited to address these needs. To date, the program has awarded 382 grants to shipyards in 33 U.S. states and territories

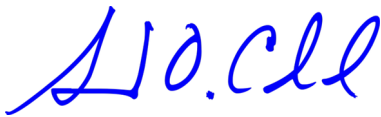
The program provides grant incentives for small shipyards to spend additional matching funds to modernize their facilities through equipment upgrades needed to optimize processes to improve efficiency and global competitiveness. During this time of American innovation in the maritime industry, shipyards must have the facilities and skilled workforce to support new technologies for vessel power and fuel solutions, as well as other specialized shipboard equipment. The program also funds employee training initiatives to promote technical skills and increase workforce productivity. This feature is particularly critical, in light of today's workforce development needs throughout the maritime industrial base.

Moreover, small shipyard grants support American manufacturers and workers who produce shipyard equipment. Strict domestic sourcing requirements ensure that the program fosters sales of American-made industrial equipment and well-paying jobs.

Intense competition for these grants demonstrates a continued strong demand for Small Shipyard Grant Program funding. The program is oversubscribed, with annual funding requests of approximately 5-10 times the amount of grant funding available. These applications often omit the larger, more complex modernization projects requiring additional funding that just hasn't been available through the program. Despite the significant economic challenges of this decade, many shipyards would move forward with modernization projects, with the federal government as a funding partner, if sufficient funding for the grant program is made available in Fiscal Year 2027.

To meet the nation's need for shipyard modernization, a robust funding level for the Small Shipyard Grant Program is essential. This investment is a win for America's small business shipyards, equipment manufacturers, the U.S. fleet and jobs in all of these industries. Thank you for your consideration.

Sincerely,




Salud Carbajal
Member of Congress



Mike Ezell
Member of Congress



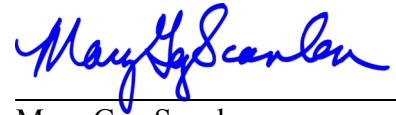
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Sam Graves
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Daniel Webster
Member of Congress



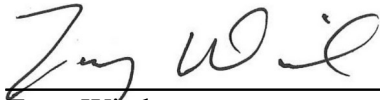
Mary Gay Scanlon
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Brian K. Fitzpatrick
Member of Congress



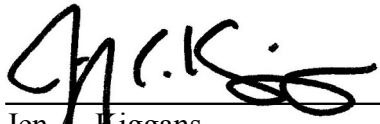
Julia Brownley
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Tony Wied
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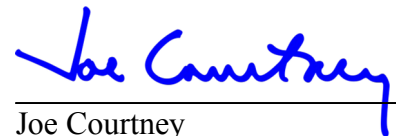
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Member of Congress



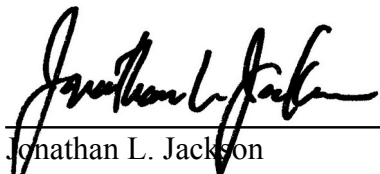
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John Garamendi
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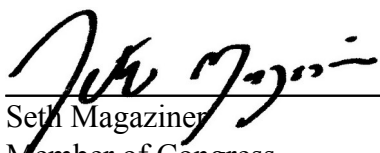
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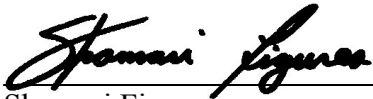
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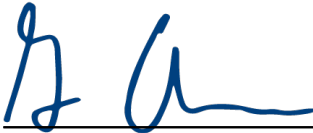
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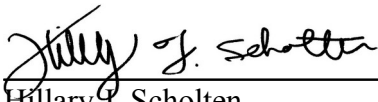
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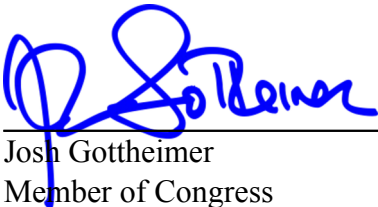
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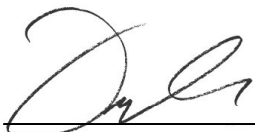
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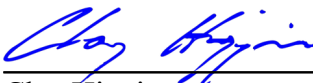
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Nicholas J. Begich III
Congressman for All Alaska



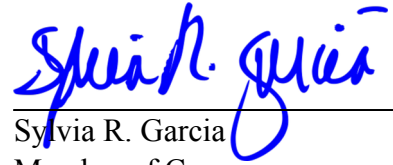
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