

**SENATE COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION**

Full Committee

Nominations Hearing

Wednesday, October 22, 2025 at 10:30 A.M.

**REPUBLICAN QUESTIONS FOR THE RECORD**

*Mr. Stephen Carmel*

**COVER PAGE**

## SENATOR TED CRUZ (R-TX)

1. A recent *American Affairs* article<sup>1</sup> warns that efforts to rebuild America's maritime must "navigate between the Scylla of government coddling and the Charybdis of nonmarket opponents." If confirmed, how would you revitalize the U.S. merchant marine and shipbuilding base through targeted, market-driven measures—while avoiding excessive subsidies or preferential treatment for legacy contractors?

Thank you for the question, I agree that the U.S. maritime industry needs to reduce its reliance on direct government support. What is needed in its place is indirect support by adjusting national policy to include maritime in trade deals to ensure the merchant marine carries our nation's commerce. This requires initial government direct support for the transition. However, this support must be time-bound and tied to the implementation of the indirect support structure.

Global shipping and shipbuilding are industries of scale—scale in operations, supply chains, and global reach for comprehensive support.

To compete internationally, U.S. companies must achieve this scale. MARAD's job is to create the conditions that enable this growth. Therefore, we must walk a careful line: encouraging new market entrants without discouraging the vital growth necessary to achieve that essential scale.

2. Taxpayer support for the maritime industry has at times propped up underperforming firms without strengthening U.S. capacity. Will you commit, if confirmed, to limiting MARAD assistance to performance-based programs that reduce the risk of long-term industry dependence? How will you work to accomplish this goal?

I agree that taxpayer support should drive performance, not dependency. If confirmed, I'll ensure MARAD funding is tied to measurable outcomes — specifically, more ships built here, more mariners trained, and stronger commercial competitiveness, focusing on our nation's commerce. This means moving away from open-ended subsidies and toward performance-based tools that reward innovation, efficiency, and private investment. Every federal dollar should strengthen national capacity, not sustain firms that can't compete.

3. Rigid contracting practices can hinder innovation. How will this fact inform your approach to MARAD's role in overseeing ship financing, training vessel acquisition, and reserve fleet management?

I share your concern about propping up inefficiency; as a member of the maritime industry dealing with these issues, I've often been personally frustrated by them. However, the problem isn't just poor

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<sup>1</sup> William Cahill & Jacqueline Deal, *A Shining City on the Sea: Rebuilding America's Maritime Industry*, 9 AM. AFF. 2 (May 2025), <https://americanaffairsjournal.org/2025/05/a-shining-city-on-the-sea-rebuilding-americas-maritime-industry/>.

performance—it's that many of our maritime programs are built on 1950s models that no longer fit the world we operate in. Simply tightening contracts on legacy programs like the Ready Reserve Fleet won't solve that fundamental issue.

If confirmed, I'd push for a system-level rethink across the enterprise (MARAD, MSC, TRANSCOM). This involves clarifying what capabilities we actually need and then designing modern, performance-based tools to deliver them. We must update both what we're doing and how we do it.

4. As Maritime Administrator, how will you ensure U.S. shipbuilders and carriers remain innovative and globally competitive, despite reduced pressure from foreign markets?

That question strikes at the heart of my focus on rebuilding U.S. shipbuilding. The only way to make U.S. shipbuilders truly innovative and competitive is to rebuild the industry so it's once again exposed to international competition. Right now, isolation has bred inefficiency. If we can move U.S. shipbuilding down the cost curve through modernized yards, scalable production, and smarter demand signals, our builders can compete globally. That revitalizes our industrial base, attracts private capital, and naturally fixes industry problems.

Moving U.S. shipbuilding down the cost curve is about restoring both industrial competitiveness and national security. Today, our shipyards are trapped in low-volume, high-cost cycles that make them dependent on government contracts and completely divorced from international commercial ship production best practices. The solution isn't more protection—it's scale and modernization.

We need greenfield yards built around advanced modular construction, digital engineering, and automation. These must be supported by steady commercial demand so firms can plan long-term investments. When that happens, per-unit costs drop dramatically, private capital returns to the sector, and U.S. builders can compete internationally. That revitalizes the broader industrial base—steel, components, logistics—while giving us a more resilient sealift and naval support foundation. In the process, a healthy, competitive shipbuilding ecosystem naturally narrows the Jones Act freight-rate wedge by bringing down transport costs. The economic and security benefits move in the same direction.

## **SENATOR ROGER WICKER (R-MS)**

### **U.S. Merchant Marine Academy**

Background: The U.S. Merchant Marine Academy's (USMMA) facilities lag behind the other service academies. Many of the buildings date back to the 1940s and are unable to meet the needs of current and future midshipmen. Given these conditions and the lack of significant investment in campus infrastructure for decades, it is critical that the Maritime Administration and Academy leadership implement their Campus Modernization Plan expediently to rehabilitate and modernize the campus.

1. The conditions of the Merchant Marine Academy's facilities fall below the other service academies. Many of the buildings exhibit crumbling concrete, leaking pipes, mold, and inadequate heating and air conditioning for the Midshipmen.
2. Wouldn't you agree that the state of the campus makes it hard to recruit top talent for this prestigious service academy?

Yes, I completely agree, and I thank Secretary Duffy for his continued commitment and leadership to supporting the Merchant Marine Academy. Secretary Duffy has made it a top priority to expediently implement a modernization plan to rehabilitate the campus's infrastructure. Modernizing the facilities is essential for recruiting, as a state-of-the-art campus signals an investment in the midshipmen's future and provides the technological environment needed for a 21st-century maritime education. By offering competitive, high-quality living and training spaces, the Academy can attract and retain the nation's brightest future leaders.

3. If confirmed, will you commit to working with the Department of Transportation to implement the Campus Modernization Plan?

Yes, I look forward, if confirmed, to working with this committee and all stakeholders to implement the plan and fix Kings Point.

### **Maritime Security Program/Tanker Security Program**

Background: The Maritime Security Program is a vital component of our military strategic sealift and global response capability. It is designed to ensure that the United States has a U.S. flag commercial sealift capability and trained U.S. citizen merchant mariners available in times of war or national emergencies. The Tanker Security Program (TSP) ensures that a core fleet of U.S.-based product tankers can operate competitively in international trade and enhance U.S. supply chain resiliency for liquid fuel products. The TSP will provide the Department of Defense with assured access to 10 U.S.-registered product tank vessels that may be used to supply the armed forces with fuel during times of armed conflict or national emergency.

1. The Tanker Security Program and Maritime Security Program play a key role in maintaining our sealift capability and supporting the U.S.-flag fleet. From your perspective, does the Department of Defense provide enough cargo to keep the Tanker Security Program commercially viable? How would you manage or expand preference cargoes to strengthen participation?

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If I am confirmed, I look forward to working with DOW on this important issue and getting read up on the specifics. Interagency collaboration is imperative and I look forward to working with your office on this issue.

## **SENATOR DAN SULLIVAN (R-AK)**

### **Port Infrastructure Development Program and Visit Alaska**

Alaska's unique geography and lack of transportation infrastructure means that my constituents rely on maritime transportation as a lifeline.

Alaska has 33,904 miles of shoreline, dwarfing the entire Lower 48. A majority of Alaskan communities are dependent on barge deliveries for food, building materials, and everyday household goods necessary to support life in the 21st Century. In many parts of the state, these deliveries occur only two or three times per year. However, even today, many of our communities lack reliable marine access.

One of the biggest infrastructure gaps in the State of Alaska, in terms of lack of support for federal support mechanisms, is the lack of a waterfront program to support our rural communities.

Through previous efforts with the Commerce Committee and the Infrastructure bill, we have made significant progress in supporting these communities and projects through the MARAD Port Infrastructure Development program.

1. Will you commit to strong support for the Port Infrastructure Development program?

If confirmed, I can commit to working with your office to continue to follow the law, as passed by Congress.

2. Will you commit to ensure that Alaska's port and harbor projects are evaluated based on their strategic and community importance?

If confirmed, I commit to evaluating projects based on their merit and look forward to working directly with your office to understand Alaska's port and harbor priorities.

3. Will you support efforts to ensure that MARAD adopts permit streamlining practices to avoid duplicative environmental reviews that delay critical maritime infrastructure projects?

If confirmed, I commit to working to ensure timely reviews of maritime infrastructure projects wherever possible.

### **Port of Alaska Modernization Program (PAMP) – Project Background and Status** **Background**

The Port of Alaska handles nearly half of all cargo entering the state and is a designated Defense Strategic Port, making it essential for both civilian supply chains and national security. Aging infrastructure—over 50 years old—is at risk of catastrophic failure, especially in the event of a major earthquake. The docks are heavily corroded and beyond their design life.

The Port of Alaska Modernization Program (PAMP) is a five-phase reconstruction effort focused on replacing, not expanding, infrastructure to ensure long-term resilience and efficiency. Modernization will strengthen seismic resilience, accommodate larger, deeper-draft vessels, and bring facilities up to current codes and standards—all while supporting Alaska's economy and military readiness.

Timely federal action is critical. MARAD's support in streamlining reviews, accelerating permitting, and facilitating funding will be key to keeping this lifeline operational for decades to come. Delays risk severe consequences for Alaska's supply chain and national defense capacity. This is not just a state issue—it's a strategic national priority.

1. Given MARAD's central role in reviewing and funding port infrastructure projects, would you ensure the Port of Alaska Modernization Program stays on schedule and receives the federal priority it deserves, considering the risks to both Alaska's supply chain and national defense readiness if this project is delayed?

I commit to working with you and your office to ensure that programs such as the Port of Alaska modernization program are executed in a timely and efficient manner.

#### **University of Alaska - Centers of Excellence for Domestic Maritime Workforce Training and Education**

As part of the FY2023 MARAD Authorization (that became law via FY23 NDAA) I worked to authorize the Maritime Administration to designate eligible organizations as centers of excellence for domestic maritime workforce training and education, and authorized funding to support maritime workforce development activities at designated centers of excellence.

While I'm pleased that the Maritime Administration has taken the steps to designate centers, including the Alaska Maritime Education Consortium, there has been no funding to ultimately address maritime workforce challenges.

1. Will you commit to working to see that appropriate funding is requested in the President's Budget so the United States can increase its efforts to train the next generation of maritime professionals?

I can commit to working with your office to continue to follow the law, as passed by Congress.

#### **Missile Defense Agency Vessel Recapitalization**

Given the immediate national security and operational risks posed by the impending decommissioning of the Missile Defense Agency's telemetry ships, I urge MARAD to act swiftly under its existing contractual authorities and issue the necessary Task Orders/Delivery Orders under the current Vessel Construction Manager contract. While I understand the process is underway, the timeline remains extremely tight.

1. Will you commit upon confirmation to issue the TO/DOs to initiate vessel design? If any administrative or procedural barriers remain, please identify those issues along with a corrective action plan and timeline that aligns with Congress's intent for immediate recapitalization.

I can commit to working with your office to continue to follow the law, as passed by Congress.

### **Wrangell RAISE Grant Coordination**

The City and Borough of Wrangell have been working closely with the U.S. Army Corps of Engineers (USACE) and MARAD on a project of high importance to my state—specifically, the replacement of deteriorating float infrastructure in Wrangell Harbor, which is linked to long-standing dredging needs in the federally authorized navigation basin.

It has been reported to my office that while NEPA concerns for the float replacement portion have been addressed through coordination with the USACE Regulatory Division and the Borough, NEPA requirements associated with the USACE-led dredging effort remain unresolved. I understand that MARAD is serving as the lead federal agency for NEPA on this project and is conducting an Environmental Assessment (EA) rather than an Environmental Impact Statement (EIS), which should allow for a more streamlined process.

The current holdup, as conveyed to me, is that USACE has yet to submit a required sampling work plan for review under MARAD's pre-NEPA process. Until this work plan is approved, in-water sediment sampling cannot occur—delaying essential technical and environmental analyses. MARAD reportedly provided guidance for this work plan as early as May 2025, but USACE has cited staffing shortages and operational delays as the reason for their lack of progress.

Because the dredging and float replacement are interdependent efforts, and because the Borough cannot finalize its RAISE grant agreement with MARAD until NEPA is completed for both, this delay threatens to stall a key infrastructure project in my state. I understand that once the USACE work plan is received, MARAD's internal review could move quickly. I appreciate MARAD's responsiveness on that front.

In light of these circumstances, I respectfully urge MARAD to prioritize this project and take all possible steps to expedite its part in the NEPA process once the necessary materials are provided by USACE. This project is important to the local economy, to maritime safety, and to honoring the commitments made under the RAISE program.

1. Once confirmed, will you commit to this project and your coordination with the Borough and USACE?

If I receive the honor of confirmation, I can commit to working to understanding the specifics of MARAD's role in this project and to expeditiously review the issue.



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