

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

Full Committee

Nominations Hearing

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

DEMOCRATIC QUESTIONS FOR THE RECORD

Mr. Stephen Carmel

COVER PAGE

SENATOR MARIA CANTWELL (D-WA)

Shipbuilding. There is bipartisan agreement that it is critical we increase American-built and American-crewed ships to support our economy, increase international trade, and strengthen our national security. This includes investments in shipyard and port infrastructure, expanding financial tools needed to incentivize shipbuilding and shipyard modernization, and investing in our maritime workforce.

Question 1: Please describe your plan to invest in port infrastructure and increase U.S. shipbuilding capacity.

Answer: I fully agree that rebuilding our shipbuilding ecosystem is critical—not only for national security, but also for addressing broader economic issues such as freight rate wedges and supply chain resilience.

I plan to attract private capital and gradually reduce the need for government involvement with the ultimate objective of reestablishing shipbuilding as a self-sustaining, commercially competitive industry. By restoring competitiveness and scale in the private sector, we can both strengthen our industrial base and ensure that the maritime and logistics sectors contribute fully to U.S. economic and national security objectives.

Question 2: How do you plan to use programs like the Title XI loan guarantee program or new financing mechanisms to spur commercial shipbuilding in the United States?

Answer: A critical component of rebuilding our shipbuilding ecosystem is fixing the financing side of the equation. The current Title XI program is inadequate to the task—it doesn't provide true construction financing or refund guarantees, both of which are essential to support modern shipbuilding at competitive cost and risk levels. There are several adjustments to the Title XI program that can address these shortcomings and aligns financing mechanisms with the broader goal of moving U.S. shipbuilding down the cost curve and attracting private capital participation.

Question 3: Do you commit to working with Congress on legislation to grow the U.S. shipbuilding capacity and the maritime industrial base?

Answer: If confirmed, I commit to working with Congress on implementing any legislation it passes effectively and efficiently.

Mariner Workforce. A key aspect of the Maritime Administration's (MARAD) mission is to train and educate our next generation of U.S. mariners. However, the United States has a serious shortage of credentialed mariners, and in 2024, both the USTRANSCOM Commander and the former MARAD Administrator testified regarding their concerns about the mariner shortage.

Question 1: What specific steps will you take to address our nation's shortage of mariners?

Answer: The mariner shortage we're seeing isn't simply about headcount—it's a structural problem. A major factor is the Ready Reserve Force (RRF) model, which depends on sudden surges in manpower. When RRF activation stresses the labor pool, it shows the system is

unbalanced: if we can surge the RRF, we have too many mariners for normal operations; if we can't, the model isn't sustainable.

To fix this, I'd start by working closely with our union partners to realign how we develop and sustain the workforce. We must build mariner employment in tandem with new ship construction and operations, so people have steady jobs, not just surge demand. This means integrating workforce planning with programs like fleet recapitalization and sealift renewal.

We also need to modernize mariner training and credentialing—for example, expanding simulation-based training, easing transitions for military and offshore energy mariners into deep-sea service, and strengthening the pipeline through the state maritime academies. Lastly, we need to work closely with the USCG to bring the mariner credentialing system into the 21st century, a frustration I hear often from our mariners.

If we get those structural and workforce elements right, we won't just patch a temporary shortage—we'll rebuild a strong, steady U.S. mariner base that supports both national security and commercial competitiveness.

Question 2: What are your plans to improve the conditions at the U.S. Merchant Marine Academy to include aging infrastructure and outdated curriculum?

Answer: There are already important programs underway to address this issue, including the campus modernization plan, which I am fully committed to supporting. Once confirmed, my first step will be to conduct a detailed review of what MARAD is currently doing or planning in this area, ensuring that ongoing efforts are effective and properly aligned with our broader mission. The Committee will be informed as we work collaboratively to identify any gaps or needed improvements.

As an Academy alumnus, I am deeply concerned about the state of our maritime education system. I am committed to working aggressively—in partnership with Congress and all stakeholders—to ensure these programs deliver the modern facilities, training, and support our future mariners deserve.

Sexual Misconduct. When a USMMA cadet, known as Midshipman-X, came forward in 2021 alleging she was raped on a Maersk ship, I wrote to MARAD. We went on to include specific provisions in the 2023 NDAA to prevent sexual assault and sexual harassment while at sea. Sexual misconduct is a crime, and we have to protect both our current and future mariners.

Question 1: Will you prioritize mitigating sexual misconduct in the maritime industry if confirmed as MARAD Administrator?

Answer: My time as a ship's captain, where I sailed with female crew members, provided me with direct, practical experience in managing crew welfare, particularly concerning safety and professional conduct. This experience gave me firsthand insight into the specific logistical and cultural adjustments necessary to ensure a safe, respectful, and fully compliant working environment for all personnel. This includes implementing and strictly enforcing policies to prevent and promptly address sexual misconduct and harassment.

This isn't just a policy issue; it's about culture. Every mariner deserves to know they'll be safe and respected at sea, and I'll make that a top priority. As I said at my hearing, this is a simple issue at its core: treating each other with respect and not tolerating those who don't.

Question 2: During your staff interview, you said you were not personally involved in Maersk's handling of the matter involving Midshipman-X or a subsequent matter involving Midshipman-Y. Is that correct?

Answer: Yes. By the time this occurred, the internal division within MLL had already taken place, and I was running the USMMI business unit, not directly involved in "Blue Fleet" operations.

Question 3: Have you ever discouraged Maersk, or any other entity with which you were employed, from reporting an allegation of sexual harassment or assault under 46 U.S.C. § 10104?

Answer: No.

Question 4: What specific measures would you put into place to mitigate sexual misconduct throughout the maritime industry if confirmed?

Answer: This is an issue I take very seriously. As a Master, I've sailed with mixed crews, including female officers and mariners, and I know firsthand that safety and respect must be built into the ship's culture from day one.

If confirmed, I'd bring that same culture to MARAD—ensuring strong reporting systems, real accountability, and consistent enforcement across the industry. I'd also work closely with unions, the Coast Guard, academies, and operators to share best practices and strengthen prevention training.

This isn't just a policy issue; it's about culture. Every mariner deserves to know they'll be safe and respected at sea, and I'll make that a top priority. As I said at my hearing, this is a simple issue at its core: treating each other with respect and not tolerating those who don't.

Question 5: At the hearing, you said Kings Point has a "long way to go" in terms of dealing with sexual misconduct. Please elaborate on this testimony, including by explaining why you believe this and what specific actions you will pursue at the US Merchant Marine Academy to protect our future mariners if confirmed.

Answer: Thank you for the question and the opportunity to expand on my initial answer. When I said Kings Point has a long way to go, I was referring to all aspects of its operations, not just issues related to SASH (Sexual Assault and Sexual Harassment). My direct experience with the Academy is somewhat dated, so if confirmed, I intend to take a fresh, detailed look at the current situation before drawing firm conclusions.

Question 6: Were you aware of any instances of sexual harassment or sexual assault at the US Merchant Marine Academy while serving on the Board of Directors that you believe were not properly reported or investigated? If so, please detail these matters.

Carmel

Answer: I am not aware of any such instances.

Tariffs. In 2022, you gave a speech stating that “every firm in every country in the supply chain” feels the pain of tariffs, and that politicians “enacting tariffs actually have no idea who and where they are causing pain.”

Question 1: If confirmed, how do you intend to use your role as MARAD Administrator to help address the “pain” from the current tariffs?

Answer: The MARAD Administrator does not hold the primary authority to set or impose tariffs; this power rests mainly with the President (via the USTR) and Congress. MARAD’s role is not tariff setting and is not a primary function of the role of which I am nominated for.

Surface Transportation Reauthorization. The Bipartisan Infrastructure Law provided \$2.25 billion for the Port Infrastructure Development Grant Program, among other investments. The Surface Transportation Reauthorization bill would be an excellent opportunity to secure funding and provisions to support the industry.

Question 1: Do you think maritime issues should be part of the next Surface Transportation Reauthorization?

Answer: If confirmed, I look forward to working proactively with your office on priorities pertinent to MARAD, at any point and under the direction of Congress.

Food Aid. Food aid is one of the largest sources of cargo guaranteed to U.S. flag ships, and the Administration’s dismantling of USAID has had major implications on the fleet. In fiscal year 2024, the USAID’s Title II Food for Peace program ordered about 606,301 metric tons of food aid, and as of July 29 of fiscal year 2025, only 259,000 metric tons have been ordered.

Question 1: How does the cancellation of food aid impact the U.S. Merchant Marine, and do you have solutions?

Answer:

The rebuilding of our maritime enterprise must be rooted in carrying the Nation’s commerce. A strong U.S. Merchant Marine must once again be central to how America moves its goods, competes globally, and secures its supply chains.

That commitment is essential to our economic strength and directly supports MARAD’s mission. It is also the only viable path to developing the cargo base we need, at the scale required to accomplish the overall goal of revitalizing and rebuilding the domestic U.S. maritime industry and workforce.

Question 2: What are the consequences of the fleet not having enough cargo?

Answer: Maritime shipping is a business, and the movement of cargo is our service. As in any business, when demand for our services drops, the business becomes unviable and fails. This is

also true for the industry writ large: it will fail or become wholly dependent on government support.

Port Infrastructure Development Program. In August 2025, MARAD withdrew six projects and terminated five projects within its Port Infrastructure Development Program (PIDP), resulting in a total retraction of \$177 million and approximately \$75 million in federal funding, respectively.

Question 1: Do you support the Port Infrastructure Development Program?

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

Question 2: Regardless of your current familiarity with PIDP, will you commit to protecting the grants in this program from politicized termination?

Answer: I am committed to ensuring that every dollar provided under the PIDP is awarded and administered based on merit, transparency, and statutory criteria. My focus will be on maintaining the program's integrity and ensuring that projects are selected and executed to deliver the maximum public benefit consistent with law and Administration priorities.

Logging System. The United States lacks a modern cargo tracking system that could help the maritime industry address supply chain issues.

Question 1: How could the United States implement a modern logging system for maritime cargo?

Answer: I fully agree that developing a modern, integrated cargo visibility system is a critical national priority.

At present, U.S. ports and supply chain nodes operate largely as islands of information, without a unified national operating picture of cargo movement. This severely limits our ability to anticipate and respond to disruptions, optimize logistics performance, and protect against data-driven vulnerabilities.

This urgency is underscored by competitors like China. Its Logink system provides real-time access to global trade flow data and is utilized at ports they operate globally, giving them significant leverage in understanding—and potentially influencing—supply chain dynamics. The United States lacks a comparable system, and that gap poses both economic and security risks.

The solution is not necessarily new data collection, but integration. We must create a secure, interoperable, and trusted data architecture that connects existing information from ports, carriers, terminals, and federal systems.

Such a framework would dramatically improve supply chain transparency, resilience, and cybersecurity while securely protecting proprietary and national security-sensitive data.

MARAD can play a key convening and technical role in this effort. Its functions should include aligning standards, engaging stakeholders across the public and private sectors, and ensuring the

resulting system supports both commercial competitiveness and national security objectives consistent with Administration priorities.

Trade Agreements. International trade agreements offer an opportunity to negotiate and secure cargo on U.S. flag vessels, and consulting MARAD during this process would be advantageous for the U.S. maritime industry.

Question 1: What do you think are the potential opportunities surrounding maritime cargo in international trade negotiations to support the U.S. maritime industry?

Answer: I completely agree—the rebuilding of our maritime enterprise must be rooted in carrying the Nation's commerce. A strong U.S. Merchant Marine must once again be central to how America moves its goods, competes globally, and secures its supply chains.

That commitment is essential to our economic strength and directly supports MARAD's mission. It is also the only viable path to developing the cargo base we need, at the scale required to accomplish the vision set forth by President Trump in his Restoring America's Maritime Dominance Executive Order.

SENATOR ED MARKEY (D-MA)

1. I authored the No Spills Act to strengthen the review process that the Maritime Administration uses to approve offshore fossil fuel terminals and increase penalties on corporations whose operations result in oil spills. Do you believe it is important to take public opinion into account when considering license applications for new offshore export terminals?
 - A. Do you believe the maintenance of a healthy environment is in our national interest?

Public input is an essential part of the review process for offshore terminal projects. The Maritime Administration's licensing process under the Deepwater Port Act is designed to be transparent and inclusive, ensuring that local communities, environmental stakeholders, and industry all have a voice. That public participation strengthens the legitimacy and quality of our decisions.

As Administrator, my commitment would be to ensure that every application is reviewed rigorously, based on science, safety, and law—and that the process reflects both environmental responsibility and the national interest in a secure, efficient energy and trade system.

2. As a former tanker captain, you're well aware that fuel efficiency is a key to profitability. Do you support the Maritime Environmental and Technical Assistance program, which helps shipping companies cut fuel costs and compete in the global economy?
 - A. Would you protect this program from funding cuts or politicization?

As a former tanker captain and shipping executive, I know fuel efficiency is central to profitability and competitiveness. If confirmed, I commit to awarding and administering programs based on merit, transparency, and statutory criteria. My focus will be on maintaining the program's integrity and ensuring that projects are selected and executed to deliver the maximum public benefit consistent with law and Administration priorities.

3. Greener ships are the worldwide trend, and many nations are looking to adopt standards for ships they will allow to dock at their ports. As we look to expand the number of American-flagged ships carrying goods, do you agree that lower-emission ships will be a necessary part of that mission?

MARAD's job is to enable our U.S. carriers through providing tools and technical support to stay competitive in global trade. If confirmed, I will work to that end.

SENATOR TAMMY BALDWIN (D-WI)

1. As Maritime Administrator, you would be charged with administering the Small Shipyard Grant Program, which provides crucial support for a key component of America's maritime industrial base. Small shipyards are often the lifeblood of coastal communities, supporting commercial fishing fleets, tugs and barges, ferries, dredges and government ships like Coast Guard cutters, firefighting and law enforcement boats. Will you commit to including adequate resources for the Small Shipyard Grant Program in your future budget requests?

If confirmed, I will commit to award and administer programs under MARAD's purview based on merit, transparency, and statutory criteria.

2. In September 2023, the Department of Transportation published a waiver of Buy America requirements for de minimis costs and small grants. Despite the Department's waiver, will you commit to requiring all Small Shipyard Grant recipients, even those awarded less than \$500,000 in Small Shipyard Grant funds, to comply with the domestic preference requirements for their projects?

If confirmed, I look forward to working with your office on this issue and commit to furthering my understanding of this particular matter.

3. MARAD is tasked with fostering, promoting and developing the maritime industry of the United States to meet the nation's economic and security needs. This includes efforts to support commercial shipbuilding in the United States, including through the Title XI Loan Guarantee Program, Small Shipyard Grant Program, and Port Infrastructure Development Program. In a time where it is increasingly obvious that the United States must strengthen our commercial shipbuilding industry, what will you do as Maritime Administrator to ensure our nation can surge this capacity?

I agree that strengthening our commercial shipbuilding industry is essential to both our economic and national security.

The reality is this capability cannot be "surged" in a crisis. Shipbuilding capacity, workforce skills, and supplier networks must be built and sustained consistently over time. If we want that capability in an emergency, we must foster and develop it in peacetime.

As Maritime Administrator, should I be given the honor of confirmation, my focus would be on creating the conditions for that long-term stability. I would use tools like a reimagined and strengthened Title XI Program—representing construction financing, not just loan guarantees—the Small Shipyard Grant Program, and the Port Infrastructure Development Program to rebuild capacity across the industrial base.

That means helping U.S. yards move down the cost curve, invest in modern technology, and compete in international markets so that steady commercial work sustains them between defense cycles.

Rebuilding this capacity isn't just about production; it's about restoring a maritime ecosystem: shipyards, suppliers, mariners, and carriers all working together. That is how we will ensure the United States can respond when needed—not by surging from a cold start, but by maintaining a living, capable industry every day.

4. In the 2023 Port Infrastructure Development Program (PIDP) award cycle, DOT announced \$653 million to 41 ports, of which only two Great Lakes ports received grants. Ports in the Great Lakes region only received two percent of the distributed funds. I am concerned that applicants from the Great Lakes are not being fairly considered for PIDP awards, despite the critical need for investment. Do you commit to considering regional distribution of PIDP funds when awarding grants?

If confirmed, I will commit to award and administer programs under MARADs purview based on merit, transparency, and statutory criteria.

SENATOR TAMMY DUCKWORTH (D-IL)

Auxiliary Shipbuilding

TRANSCOM's number one unfunded priority for fiscal year 2026 was sealift capacity, both into a theater as well as within a theater, and the Maritime Administration (MARAD) has a huge role to play in enabling the military in a wartime scenario.

1. Please provide your assessment of the current capacity of the United States Government to enable commercial or military shipyards in the United States to surge production of lift/auxiliary vessels in a wartime scenario to maintain fleet capacity necessary to support the military's needs?

My assessment is straightforward: the United States today does not have the near-term ability to “surge” large-scale commercial or military shipbuilding and repair from a cold start to meet wartime lift/auxiliary needs. True surge capacity must be resident in the force in peacetime — yards, suppliers, skilled crews, material pipelines, and contract mechanisms — and much of that ecosystem is currently thin or in need of rebuilding. You cannot surge what you have not sustained. There are many reasons for this conclusion, but key reasons are:

- Industrial base shrinkage — there are relatively few U.S. shipyards with the scale, military-spec experience, and modern production facilities needed for rapid, high-volume output of lift/auxiliary vessels.
 - Workforce shortfalls — skilled shipbuilders, naval architects, welders, and supervisors are limited; training and apprenticeship pipelines are inadequate for a fast expansion.
 - Fragile supplier chain — many critical components (engines, generators, specialist steel, reduction gears, certain electronics) have long lead times and limited domestic producers.
 - Production rhythm — shipbuilding depends on steady workloads; yards cut costs and maintain capacity by doing continuous commercial and defense work, not by waiting for crises.
2. Many of the United States' partners have strong domestic industries dedicated to commercial shipbuilding and building of specialized auxiliary vessels, such as cable-laying or cable-repair ships or landing craft utility vessels.

If confirmed to be MARAD Administrator, would you support greater co-production and co-sustainment of auxiliaries with allies and partners to expand capacity and reduce risk—and what barriers exist to achieving this goal?

If confirmed, I would support actively working through these barriers—aligning standards, identifying pilot opportunities, and ensuring that cooperation with allies complements our national industrial goals. The objective is not to replace U.S. capability, but to expand and reinforce it through trusted partnerships.

I strongly support the idea of greater co-production and co-sustainment of auxiliary vessels with our allies and partners. This is a strategic way to expand capacity, reduce risk, and strengthen the resilience of our collective maritime industrial base.

3. If confirmed to be MARAD Administrator, what is your plan to address the aging fleet and address significant maintenance issues plaguing the fleet?

I plan to attract private capital and gradually reduce the need for government involvement with the ultimate objective of reestablishing shipbuilding as a self-sustaining, commercially competitive industry. By restoring competitiveness and scale in the private sector, we can both strengthen our industrial base and ensure that the maritime and logistics sectors contribute fully to U.S. economic and national security objectives.

4. What is your assessment of the Vessel Construction Manager program, and if confirmed to be MARAD Administrator, will you expand this program?

My assessment is that the Vessel Construction Manager (VCM) program has been a clear success. It has improved cost control, schedule discipline, and technical oversight in complex shipbuilding projects. Its strong reputation has led other agencies, including the Army and NAVSEA, to explore similar models.

Expanding the VCM, however, is not something MARAD can do unilaterally, since most applicable ship construction programs originate outside of our agency. That said, we can absolutely play a key assistance role: sharing best practices, supporting other agencies that want to adopt the model, and using the VCM ourselves whenever it is appropriate and within our authority.

Grants

The Port Infrastructure Grant Program is crucial to keeping the important flow of commerce moving smoothly through the maritime environment.

In 2024, Illinois received \$82M in much needed funding to address infrastructure projects. However, in prior years, the Great Lakes community received a disproportionality small share of Port Infrastructure Grant Program funds that amounted to less than 3 percent of the total funding amount.

1. If confirmed to be Administrator, will you commit to building on this progress to make sure Port Infrastructure Grant Program funds are effectively distributed to Illinois projects and other non-coastal communities?

I agree that ports in Illinois and across the Great Lakes are essential to our national economy. They move the raw materials and finished goods that keep American industry running, so continued investment there is critical. If confirmed, I look forward to working with your office on this issue and commit to furthering my understanding of this particular matter.

2. If confirmed, will you commit to disbursing all grant funding that has been awarded to Illinois in full and without undue delay, while opposing any efforts by the Office of Management and Budget or other entities to improperly abuse grant program disbursement to reward or punish perceived political allies or enemies?

If confirmed, I commit to awarding and administering programs based on merit, transparency, and statutory criteria. My focus will be on maintaining the program's integrity and ensuring that projects are selected and executed to deliver the maximum public benefit consistent with law and Administration priorities.

Federal Elections

1. Setting aside the Congressional count and certification, do you believe President Donald Trump received more votes than Vice President Kamala Harris in the 2024 U.S. presidential election?

Senator, with great respect, I do not believe it would be appropriate for me to offer any personal views or opinions on electoral matters.

My responsibility as Maritime Administrator, if confirmed, would be to carry out the duties of the office with integrity, impartiality, and full respect for the law and for all those elected to serve.

Personal political opinions have no bearing on that responsibility. I will ensure, for my part, that I conduct myself in a way that reflects the nonpartisan trust placed in this position at all times.

2. Setting aside the official Congressional count and certification, do you believe President Joe Biden received more votes than President Donald Trump in the 2020 U.S. presidential election?

Senator, with great respect, I do not believe it would be appropriate for me to offer any personal views or opinions on electoral matters.

My responsibility as Maritime Administrator, if confirmed, would be to carry out the duties of the office with integrity, impartiality, and full respect for the law and for all those elected to serve.

Personal political opinions have no bearing on that responsibility. I will ensure, for my part, that I conduct myself in a way that reflects the nonpartisan trust placed in this position at all times.

Carmel