

Ranking Member Cantwell Q&A
Hearing on Sea Change: Reviving Commercial Shipbuilding
Tuesday, October 28, 2025
[\[VIDEO\]](#)

Sen. Cantwell: Thank you, Mr. Chairman, following up on that point, Ms. Snow...you listed a whole line of things that you guys have done -- various ships. How does the shipyard grant boost your capacity?

Ms. Snow: That's a great question. We are the recipient of a MARAD Small Shipyard grant, and that allowed us to buy a deburring machine, a laser cutter and a press brake, which we would have to outsource otherwise. So we now have made 15 to 20 more jobs within our business. We've also expanded the number of things that we can do and build -- so we can be open for 16 to 20 hours a day instead of eight hours a day, because we have an entirely new element to our business.

Sen. Cantwell: So boosting those MARAD Small Shipyard grants is a huge capacity building -- how many jobs would you say that helped?

Ms. Snow: For just this one specifically, we hired 15 to 20 more people, and then it has changed the track of other people's career paths, where they get to learn more and new, diverse things. It also would allow us -- if we received another -- would allow us to create our own in-house apprenticeship program, where we could allocate those funds specifically just for a teacher and educator.

Sen. Cantell: Thank you. Mr. Paxton, do we have the capacity to build icebreakers?

Mr. Paxton: Well, I do think we have that capacity, and that you don't have to take my opinion on that. An RFI went out asking the question MARAD had asked...would you bid on the icebreaker contract? And seven shipyards came back and said they did, in fact, two entities -- unsolicited -- put proposals in that could deliver an icebreaker within the four-year period of this administration.

Sen. Cantwell: So we don't have to outsource to another country?

Mr. Paxton: I don't think we do.

Sen. Cantwell: Thank you for that. Everybody's mentioned the finance program. Should we make the finance -- Title XI or something like it -- apply to fishing vessels? Since they don't, they're not eligible under Title XI. Mr. Vogel and Mr. Paxton?

Mr. Vogel: Absolutely Senator. The fishing industry is a critical customer for our commercial shipyards. Title XI can help to really invigorate and accelerate the investments that are made by commercial fishing companies in building new capacity. A lot of our fleet is quite aged at this point and needs to be recapitalized. Things like Title XI, providing the loan guarantee can really help to accelerate that recapitalization.

Sen. Cantwell: So you would, you would just put fishing in there?

Mr. Vogel: I would absolutely support expanding the Title XI authorization to include fishing, Senator.

Sen. Cantwell: Great, great, that's good to hear. And then, you know, back to this...price signal thing. You talked about incentives on the...various tax incentives. Does somebody have a viewpoint there of what needs to happen?

Mr. Vogel: Yes, Senator, I think there are two great aspects of the Ships for America Act, and it has a separate focus, really, on tax incentives. One, a 25 percent tax credit for investment in shipyards can accelerate much of the reinvestment that we need in commercial shipyards. And then the fuel parity tax aspects to ensure that companies that are making investments in the newest technology are not unfairly disadvantaged in competing in our domestic trades.

Sen. Cantwell: Thank you. Well, that's been our traditional tool at the federal level, so I'm glad to see that people want a demand signal. That was our goal with Chips and Science as well -- to say that there's a demand signal to innovate in the United States of America because of those incentives. Here, we have a larger challenge to get that infrastructure right and move forward. And Dr. Mercogliano, you mentioned that shipping is national defense. Do you think that we need to do more to integrate? I'm not sure I heard many people say anything about AI or blockchain technology, but isn't there a way for the United States to move even faster -- I see Ms. Snow you shaking your head -- to move faster on new innovation technology to help with shipping logistics?

Dr. Mercogliano: I think so. I think technology is the one advantage that the United States has consistently brought to bear that allows us to propel ourselves past competition. And if we can incorporate that -- I always argue that the greatest innovation in shipping came from somebody outside the shipping industry -- Malcolm McLean came up with the containers, containerization. So AI, you know, anything we can do to assist that, I think, is key for us maximizing. The question is how do we integrate it into the shipping aspect right now? Because, again, a lot of AI and a lot of those developers don't know anything about it, and we're not doing a great job in bringing that technology into it.

Sen. Cantwell: That's what I see in my state, and I don't know Ms. Snow, if you have a comment -- my time is running out. But I have seen the blockchain people come to the sector with ideas, but then you have to get somebody in the sector. So I do think maybe a program that helps propel that along would be something that people would take advantage of, as opposed to just kind of standing still when they hear about it, right? We need these two things to be married together. Thank you very much. Mr. Chairman.