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(Original Signature of Member)

119TH CONGRESS  
2D SESSION

# H. R.

To combat China’s unfair and non-market-oriented trade practices related to the shipbuilding industry, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mrs. KIM introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To combat China’s unfair and non-market-oriented trade practices related to the shipbuilding industry, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Facilitating Leadership and Expertise through Exchange  
6 and Training in Shipbuilding Now Act of 2026” or the  
7 “FLEETS Now Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
2 this Act is as follows:

- Sec. 1. Short title and table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.

TITLE I—MATTERS RELATING TO SHIPBUILDING AND THE  
PEOPLE’S REPUBLIC OF CHINA

- Sec. 101. Strategic ports; United States International Development Finance Corporation.
- Sec. 102. Briefing and report on China Ocean Shipping Company Shipping Heavy Industry and China State Shipbuilding Corporation.

TITLE II—MATTERS RELATING TO SHIPBUILDING AND THE  
UNITED STATES, ITS ALLIES AND PARTNERS, AND THE INTER-  
NATIONAL COMMUNITY

- Sec. 201. Statement of policy to counter shipbuilding practices of the People’s Republic of China.
- Sec. 202. International shipbuilding coordination responsibility.
- Sec. 203. Assistant Secretary for Water, Environment, and Space Affairs.
- Sec. 204. Exchange program for ship building industry experts.
- Sec. 205. Maritime investigators.
- Sec. 206. Allied maritime framework.
- Sec. 207. Maritime group of nations.
- Sec. 208. International Maritime Organization.

3 **SEC. 2. FINDINGS.**

4 Congress makes the following findings:

5 (1) The People’s Republic of China (hereafter  
6 in this section referred to as the “PRC”) has de-  
7 ployed unfair and non-market-oriented practices in  
8 the maritime, logistics, and shipbuilding sectors to  
9 achieve a long-term dominant position in the ship-  
10 building ecosystem. In response, the United States  
11 Trade Representative launched an investigation  
12 under title III of the Trade Act of 1974 in April  
13 2024, and reaffirmed its allegations in a notice of  
14 proposed actions in February 2025.

1           (2) The PRC's Military-Civil Fusion strategy  
2           uses the opacity of China's business ecosystem to  
3           channel commercial activities—including foreign  
4           shipbuilding orders—into upgrading its naval indus-  
5           trial base. By integrating commercial and military  
6           production at shared shipyards, the PRC enables the  
7           transfer of capital, technology, personnel, and supply  
8           chains to China's defense industrial base, strength-  
9           ening military capabilities through civilian contracts.

10           (3) The PRC frames its shipbuilding and mari-  
11           time sectors as strategic industries that must be tar-  
12           geted to build economic, technological and military  
13           power. This targeting necessarily means the dis-  
14           placement of foreign firms from existing markets,  
15           and taking new markets as they present, which di-  
16           minishes competition. The United States has not  
17           taken sufficient action to counter the PRC and pro-  
18           tect United States enterprises.

19           (4) By achieving dominant market positions,  
20           the PRC exercises increasing influence over global  
21           supply, pricing, and access to goods and services.

22           (5) The PRC's targeting of the maritime, logis-  
23           tics, and shipbuilding sectors creates dependencies  
24           on China, increasing risk and reducing supply chain  
25           resilience. The PRC seeks to displace foreign com-

1       petitors throughout the maritime value chain in do-  
2       mestic and foreign markets, increasing the world's  
3       dependence on the PRC for products, services, and  
4       technology.

5               (6) International dependencies on the PRC in-  
6       creases risks (potential disruptions, whether natural,  
7       accidental, or politically motivated) for individual  
8       firms and their workers, for economic sectors, and  
9       supply chain resilience. The PRC has demonstrated  
10      its willingness to weaponize dependencies for the  
11      purpose of economic coercion.

12              (7) The PRC's control over Chinese economic  
13      actors in the maritime, logistics, and shipbuilding  
14      sectors enables China to direct and influence com-  
15      mercial behavior in pursuit of market dominance in  
16      ways that run counter to fair competition and mar-  
17      ket-oriented principles.

18              (8) The PRC's industrial plans identify a ma-  
19      trix of mechanisms that are used to achieve market  
20      dominance, including government financial support,  
21      barriers for foreign firms, consolidation policies,  
22      measures associated with forced technology transfer  
23      and intellectual property theft, state-led investments,  
24      and government procurement.

1 (9) As a result of the PRC's market distortion,  
2 Chinese maritime, logistics, and shipbuilding sectors  
3 accrue a wide range of non-market advantages, such  
4 as artificially low costs or preferential supply from  
5 China's non-market excess capacity, including in  
6 steel, China's lack of effective labor rights, and Chi-  
7 na's control over digital logistics services.

8 (10) The PRC's direct intervention in the ship-  
9 building market makes ships built in the United  
10 States and elsewhere commercially less competitive.  
11 Less than one percent of new commercial ships are  
12 built in the United States and domestic shipbuilding  
13 is almost exclusively for military use.

14 (11) In 2024, the PRC accounted for 53.3 per-  
15 cent of the global shipbuilding industry and the  
16 China State Shipbuilding Corporation built more  
17 commercial ships by tonnage in 2024 than the entire  
18 United States shipbuilding industry has built since  
19 the end of World War II.

20 (12) The state-owned shipbuilding conglom-  
21 erates like China Ocean Shipping Company Shipping  
22 Heavy Industry and China State Shipbuilding Cor-  
23 poration are China's largest commercial shipbuilding  
24 corporations and the primary entities responsible for  
25 the buildup of the People's Liberation Army Navy

1 into the world's largest navy enabling the PRC to in-  
2 crease its capacity to undermine United States na-  
3 tional security interests.

4 (13) The shipbuilding capacity of the United  
5 States has been weakened by decades of neglect,  
6 leading to a contraction of a once vibrant domestic  
7 maritime workforce while simultaneously empow-  
8 ering our adversaries, eroding United States na-  
9 tional security, and reducing American jobs in the  
10 maritime sector.

11 (14) Increasing domestic shipbuilding capacity  
12 is essential to restoring America's maritime strength  
13 and self-sufficiency. This will require coordinated ac-  
14 tion across procurement policy, capital investment,  
15 supplier resilience, and workforce development.

16 (15) According to America's Maritime Action  
17 Plan from February 2026, the United States does  
18 not have the capacity necessary to scale up the do-  
19 mestic shipbuilding industry to the rate required to  
20 meet national priorities.

21 (16) For decades, the United States strategic  
22 position and shipbuilding industrial capacity have  
23 been weakened, in part, by cumbersome Government  
24 procurement processes, a lack of strategic support  
25 for construction of commercial vessels in domestic

1 shipyards, and the degradation of Federal financial  
2 investment in the Maritime Industrial Base.

3 (17) Strengthening the United States maritime  
4 sector requires leveraging international and industry  
5 partnerships to align trade policies to enhance in-  
6 vestment in the United States maritime sector. By  
7 creating clear pathways for foreign direct invest-  
8 ments in United States shipyards, suppliers, and  
9 maritime infrastructure, the United States can ex-  
10 pand domestic capacity while reinforcing relation-  
11 ships abroad.

12 (18) Currently, foreign firms are severely dis-  
13 advantaged in competing with the resources of the  
14 Chinese state, resulting in lost sales, under-invest-  
15 ment in capacity, diminished ability to attract fi-  
16 nancing, and lost jobs and lower wages.

17 (19) Foreign companies, including firms based  
18 in many United States-allied countries purchase 75  
19 percent of the ships built at China's dual-use ship-  
20 yards, funneling billions of dollars in revenue and  
21 transferring key technologies into the People's Lib-  
22 eration Army naval industrial base.

23 (20) The United States does not have a single  
24 agency or department charged with designing and  
25 implementing industrial shipbuilding policy. As a re-

1 sult, there is no single official charged with pro-  
2 tecting and expanding the domestic shipbuilding in-  
3 dustry in the United States. This creates inefficiency  
4 in reinvigorating the United States shipbuilding in-  
5 dustry and confusion when engaging international  
6 partners about joint strategies for diversifying ship-  
7 building supply chains.

8 (21) The President’s Maritime Action Plan out-  
9 lines a strategy for reclaiming America’s maritime  
10 strength, ensuring the Nation can defend its inter-  
11 ests and ferry its trade. In implementing the Mari-  
12 time Action Plan, the United States will modernize  
13 its procurement processes and streamline regulations  
14 to accelerate shipbuilding and reduce costs.

15 **SEC. 3. DEFINITIONS.**

16 In this Act:

17 (1) **ALLIED COUNTRY.**—The term “allied coun-  
18 try” has the meaning given such term in section  
19 2350f(d) of title 10, United States Code.

20 (2) **APPROPRIATE CONGRESSIONAL COMMIT-**  
21 **TEES.**—The term “appropriate congressional com-  
22 mittees” means—

23 (A) the Committee on Foreign Affairs of  
24 the House of Representatives; and

1 (B) the Committee on Foreign Relations of  
2 the Senate.

3 (3) DECK-PLATE PROFESSIONAL.—The term  
4 “deck-plate professional” means a skilled worker  
5 who operates directly on the production floor as a  
6 skilled tradesperson with specialized expertise re-  
7 lated to a ship’s systems and functionality.

8 (4) FOREIGN COUNTRY OF CONCERN.—The  
9 term “foreign country of concern” has the meaning  
10 given the term “covered nation” in section 4872(f)  
11 of title 10, United States Code.

12 (5) UNREASONABLE REFUSAL TO DEAL.—The  
13 term “unreasonable refusal to deal” has the mean-  
14 ing given that term for purposes of section 7(d) of  
15 the Ocean Shipping Reform Act of 2022 (46 U.S.C.  
16 41104 note).

17 **TITLE I—MATTERS RELATING**  
18 **TO SHIPBUILDING AND THE**  
19 **PEOPLE’S REPUBLIC OF**  
20 **CHINA**

21 **SEC. 101. STRATEGIC PORTS; UNITED STATES INTER-**  
22 **NATIONAL DEVELOPMENT FINANCE COR-**  
23 **PORATION.**

24 The Better Utilization of Investments Leading to De-  
25 velopment Act of 2018 is amended—

- 1 (1) in section 1402(3) (22 U.S.C. 9601(3))—  
2 (A) by striking subparagraph (A); and  
3 (B) by redesignating subparagraphs (B)  
4 through (G) as subparagraphs (A) through (F),  
5 respectively; and  
6 (2) in section 1412(f) (22 U.S.C. 9612(f)), by  
7 adding at the end the following:  
8 “(4) Harbors or ports (as such terms are de-  
9 fined in as defined in section 3 of the Communica-  
10 tions Act of 1934 (47 U.S.C. 153)) and related in-  
11 frastructure.”.

12 **SEC. 102. BRIEFING AND REPORT ON CHINA OCEAN SHIP-**  
13 **PING COMPANY SHIPPING HEAVY INDUSTRY**  
14 **AND CHINA STATE SHIPBUILDING CORPORA-**  
15 **TION.**

16 (a) BRIEFING.—Not later than 1 year after the date  
17 of the enactment of this Act, the Secretary of State, in  
18 coordination with the heads of other Federal agencies and  
19 departments the Secretary determines relevant, shall brief  
20 the appropriate congressional committees on—

- 21 (1) companies or entities with formal or infor-  
22 mal financial relationships with—  
23 (A) the China Ocean Shipping Company  
24 Shipping Heavy Industry; or

1 (B) the China State Shipbuilding Corpora-  
2 tion; and

3 (2) the business practices of such companies  
4 and entities.

5 (b) REPORT.—Not later than 1 year after the date  
6 of the enactment of this Act, and annually thereafter for  
7 3 years, the President shall submit to the appropriate con-  
8 gressional committees a report that includes the following:

9 (1) A description of each current and former  
10 subsidiary of the China Ocean Shipping Company  
11 Shipping Heavy Industry and the China State Ship-  
12 building Corporation.

13 (2) Any trading practices of any such entities  
14 that are subject to review by the United States  
15 Trade Representative for being unreasonable, dis-  
16 criminatory, or violating trade agreements.

17 (3) The degree and extent of direct involvement  
18 by the Government of the People's Republic of  
19 China in the governance, strategic direction, plan-  
20 ning, and commercial operations of—

21 (A) the China Ocean Shipping Company  
22 Shipping Heavy Industry;

23 (B) the China State Shipbuilding Corpora-  
24 tion; and

25 (C) the Chinese ship building industry.

1           (4) A description of each shipyard in China  
2           that is producing warships for the People's Libera-  
3           tion Army Navy or producing dual-use commercial  
4           ships, including ferries and barges, that may be used  
5           by the People's Liberation Army Navy.

6           (5) An indication of which such shipyards are  
7           conducting business with non-People's Republic of  
8           China foreign entities and potentially thereby facili-  
9           tating the modernization of the People's Liberation  
10          Army Navy.

11 **TITLE II—MATTERS RELATING**  
12 **TO SHIPBUILDING AND THE**  
13 **UNITED STATES, ITS ALLIES**  
14 **AND PARTNERS, AND THE**  
15 **INTERNATIONAL COMMUNITY**

16 **SEC. 201. STATEMENT OF POLICY TO COUNTER SHIP-**  
17 **BUILDING PRACTICES OF THE PEOPLE'S RE-**  
18 **PUBLIC OF CHINA.**

19          It is the policy of the United States to develop a do-  
20          mestic capacity to produce ships for both commercial and  
21          military application independent of supply chains that in-  
22          clude materials sourced from the People's Republic of  
23          China. Such policy shall be given effect, among other  
24          things, through a comprehensive effort, in coordination

1 with allies and partners of the United States where appro-  
2 priate, that includes—

3 (1) relevant knowledge transfer to and skillset  
4 development of a shipbuilding labor force in the  
5 United States;

6 (2) securing direct investment in United States  
7 shipyards by allies and partners; and

8 (3) the development of a coherent long-term  
9 strategy to diversify shipbuilding supply chains and  
10 expand domestic shipbuilding capacity, incorporating  
11 all relevant Federal agencies and departments.

12 **SEC. 202. INTERNATIONAL SHIPBUILDING COORDINATION**  
13 **RESPONSIBILITY.**

14 Not later than 90 days after the date of the enact-  
15 ment of this Act, the President shall designate an indi-  
16 vidual as the primary point of contact in the United States  
17 Government for purposes of—

18 (1) attracting international shipbuilding invest-  
19 ment opportunities in the United States;

20 (2) leading cooperation with the governments of  
21 foreign countries on international shipbuilding sup-  
22 ply chain diversification; and

23 (3) leading engagement on behalf of the United  
24 States Government for coordination of international  
25 shipbuilding industries in a manner that creates sup-

1       ply chain resilience and protects the national secu-  
2       rity interests of the United States.

3   **SEC. 203. ASSISTANT SECRETARY FOR WATER, ENVIRON-**  
4                   **MENT, AND SPACE AFFAIRS.**

5       Section 9 of the Department of State Appropriations  
6   Authorization Act of 1973 (22 U.S.C. 2655a) is amended  
7   to read as follows:

8   **“SEC. 9. ASSISTANT SECRETARY FOR WATER, ENVIRON-**  
9                   **MENT, AND SPACE AFFAIRS.**

10       “(a) ESTABLISHMENT.—There is authorized to be in  
11   the Department of State an Assistant Secretary for  
12   Water, Environment, and Space Affairs, who shall be re-  
13   sponsible to the Under Secretary for Economic Affairs for  
14   matters pertaining to space, oceans and maritime diplo-  
15   macy, polar affairs, environmental quality, freshwater,  
16   fisheries, wildlife and wildlife trafficking, conservation,  
17   and such other related duties as the Secretary may from  
18   time to time designate.

19       “(b) RESPONSIBILITIES.—In addition to the respon-  
20   sibilities described under subsection (a), the Assistant Sec-  
21   retary for Water, Environment, and Space Affairs shall  
22   maintain continuous observation and coordination of all  
23   matters pertaining to oceans and maritime diplomacy,  
24   fisheries, natural resource conservation, and outer space

1 in the conduct of foreign policy, including, as appropriate,  
2 the following:

3 “(1) Developing United States policy on global  
4 environmental security issues with respect to oceans,  
5 fisheries, the Antarctic region, waste and global pol-  
6 lution, and water and other natural resource man-  
7 agement and conservation.

8 “(2) Representing the Department in bilateral  
9 and multilateral negotiations involving the law of the  
10 sea, including—

11 “(A) freedom of navigation, overflight, and  
12 other lawful uses of the ocean;

13 “(B) maritime security;

14 “(C) United States maritime zones, includ-  
15 ing the United States extended continental  
16 shelf;

17 “(D) marine science;

18 “(E) the sustainable management and pro-  
19 tection of marine habitats and resources;

20 “(F) marine pollution; and

21 “(G) maritime claims and boundaries.

22 “(3) Leading United States engagement on  
23 Antarctica and in international oceans agreements  
24 and conventions with foreign governments and inter-  
25 national organizations, to promote solutions that ad-

1 vance United States national security, economic, and  
2 environmental interests.

3 “(4) Coordinating the development of policies  
4 and programs to conserve and manage economically  
5 important ecosystems, including, forests, wetlands,  
6 drylands, and coral reefs.

7 “(5) Developing policies and programs to ad-  
8 dress international threats to natural resources, such  
9 as illicit trade, illegal, unreported and unregulated  
10 fishing, wildlife trafficking, and illegal logging and  
11 associated trade.

12 “(6) Developing and implementing United  
13 States foreign policy related to air, water and soil  
14 pollution and risks to human health and the environ-  
15 ment caused by the transboundary movement of haz-  
16 ardous chemicals and waste and other forms of pol-  
17 lution to promote environmental security, with trade  
18 partners and in multilateral institutions.

19 “(7) Representing the Department in bilateral  
20 and multilateral engagements including organiza-  
21 tions, institutions, and negotiation of international  
22 agreements on related issues.

23 “(8) Developing policies and programs, in co-  
24 ordination with the National Aeronautics and Space  
25 Administration, the Department of Commerce, and

1 other relevant Federal departments and agencies, as  
2 appropriate, to support partnerships between the  
3 United States and international and private industry  
4 partners in the development of infrastructure and  
5 policies that expand economic growth in outer space,  
6 including—

7 “(A) countering malign efforts by foreign  
8 adversaries and other actors that threaten  
9 United States interests in civil and commercial  
10 space; and

11 “(B) expanding access to foreign markets  
12 for United States commercial industry, includ-  
13 ing by encouraging reforms that reduce barriers  
14 to trade and cooperation with United States  
15 civil and commercial space actors.

16 “(9) Leading bilateral and multilateral engage-  
17 ments related to civil and commercial space activi-  
18 ties, resilient space services, burden sharing, and  
19 other matters related to international space law and  
20 diplomacy and other United States international ob-  
21 ligations and commitments.

22 “(10) Leading United States Government en-  
23 gagement with international Global Navigation Sat-  
24 ellite Systems providers to ensure compatibility and  
25 encourage interoperability of civil global navigation

1 satellite services based on United States-based global  
2 positioning systems, including through the Inter-  
3 national Committee on Global Navigation Satellite  
4 Systems.

5 “(11) Leading Department efforts to implement  
6 international arrangements and promote cooperation  
7 on Earth observation satellite systems.

8 “(12) Leading Department engagement in mul-  
9 tilateral and bilateral forums on international space  
10 policy, space law, and commercial and civil treaties  
11 or agreements.

12 “(13) Leading Department efforts on trans-  
13 parency in space by maintaining the official United  
14 States space object registry and promoting best  
15 practices for safe operations in space, preservation  
16 of the space environment, space traffic coordination,  
17 and space situational awareness.

18 “(14) Leading Department efforts to align for-  
19 eign space law, regulatory, and policy frameworks  
20 with United States-endorsed models, approaches,  
21 and best practices.

22 “(15) At the direction of the Under Secretary  
23 for Economic Affairs and the Secretary of State,  
24 represent the United States in international mari-  
25 time diplomacy matters, including—

1           “(A) the creation and operation of the Al-  
2           lied Maritime Framework under section 206 of  
3           the FLEETS Now Act;

4           “(B) the development of the report under  
5           section 103; and

6           “(C) leading United States engagement in  
7           the Maritime Group of Nations under section  
8           207 of the FLEETS Now Act.

9           “(16) Authoring any reports produced by the  
10          Department which examine the maritime claims and  
11          boundaries of coastal countries and assessing their  
12          consistency with international law.

13          “(17) Performing such other duties as the  
14          Under Secretary for Economic Affairs may from  
15          time to time designate.

16          “(c) APPOINTMENT.—

17                 “(1) INITIAL APPOINTMENT.—On the date of  
18                 the enactment of the FLEETS Now Act, the indi-  
19                 vidual serving as the Assistant Secretary for Oceans  
20                 and International Environmental and Scientific Af-  
21                 fairs on the day before such date of enactment shall  
22                 be the Assistant Secretary for Water, Environment,  
23                 and Space Affairs.

24                 “(2) SUBSEQUENT APPOINTMENT.—Any subse-  
25                 quent appointment of an individual to the position of

1 Assistant Secretary for Water, Environment, and  
2 Space Affairs shall be subject to the advice and con-  
3 sent of the Senate.

4 “(d) ESTABLISHMENT OF BUREAU OF WATER, ENVI-  
5 RONMENT, AND SPACE AFFAIRS.—The Secretary shall es-  
6 tablish a Bureau of Water, Environment, and Space Af-  
7 fairs, which shall perform such functions related to space,  
8 oceans, environmental quality, fisheries, wildlife, wildlife  
9 trafficking, and conservation affairs as the Under Sec-  
10 retary for Economic Affairs may prescribe.

11 “(e) ASSISTANT SECRETARY.—The Assistant Sec-  
12 retary for Water, Environment, and Space Affairs shall  
13 be the head of the Bureau of Water, Environment, and  
14 Space Affairs.”

15 **SEC. 204. EXCHANGE PROGRAM FOR SHIP BUILDING IN-**  
16 **DUSTRY EXPERTS.**

17 (a) SENSE OF CONGRESS.—It is the sense of the Con-  
18 gress that the Secretary of State should initiate an ex-  
19 change visitor program of technical shipbuilding expertise  
20 to increase ship building knowledge, training, experience,  
21 and expertise in the American shipbuilding workforce.

22 (b) AUTHORIZATION TO PROVIDE FOR EX-  
23 CHANGES.—Section 102(b) of the Mutual Educational and  
24 Cultural Exchange Act of 1961 (22 U.S.C. 2452(b)) is  
25 amended—

1 (1) in paragraph (11), by striking “and” at the  
2 end;

3 (2) in paragraph (12), by striking the period  
4 and inserting “; and”; and

5 (3) by inserting at the end the following:

6 “(13) interchanges and visits between the  
7 United States and other countries of marine en-  
8 gineers, naval architects, electrical engineers,  
9 deck-plate professionals, marine surveyors, ship-  
10 yard infrastructure analysts, quality assurance  
11 and quality control personnel, shipyard project  
12 managers, and other experts related to the ship  
13 building industry until the date that is 2 years  
14 after the date of the enactment of this para-  
15 graph.”.

16 **SEC. 205. MARITIME INVESTIGATORS.**

17 (a) IN GENERAL.—The Secretary of State shall, in  
18 coordination with the Chair of the Federal Maritime Com-  
19 mission, detail to countries described in subsection (b) per-  
20 sonnel from the Division for Trade Policy and Negotia-  
21 tions of the Bureau of Economic and Business Affairs for  
22 the purpose of investigating—

23 (1) unfair shipping practices, including price-  
24 fixing, market manipulation, or unreasonable refusal  
25 to deal;

1           (2) specific actions by foreign governments to  
2 deny port of entry to United States–flagged vessels;

3           (3) flags of convenience to determine if lower  
4 safety, labor, and environmental standards in foreign  
5 countries create unfavorable shipping conditions for  
6 United States trade;

7           (4) anticompetitive agreements between ocean  
8 carriers and marine terminal operators for potential  
9 antitrust issues; and

10          (5) mapping the financial relationships of ship-  
11 ping companies of the People’s Republic of China,  
12 including the Ocean Alliance.

13          (b) LOCATIONS OF INVESTIGATORS.—The personnel  
14 described in subsection (a) shall be detailed to diplomatic  
15 and consular posts in countries that meet each of the of  
16 the following criteria:

17           (1) The country is among the top 5 countries  
18 globally by ship registry size and maintains an  
19 “open registry”, allowing foreign-owned vessels to  
20 register under the flag of such country without a  
21 residency requirement (also known as a “flag of con-  
22 venience” policy).

23           (2) The country is among the top 15 countries  
24 globally with respect to not less than 2 of the fol-  
25 lowing criteria:

1 (A) Shipbuilding, as measured by tonnage  
2 as a percentage of global total.

3 (B) Number of citizens or nationals who  
4 are merchant mariners.

5 (C) Number of commercially owned ships  
6 greater than 1,000 gross weight tonnage.

7 (c) INCLUSION OF FINDINGS IN INVESTMENT CLI-  
8 MATE STATEMENT.—Section 707(b) of the Further Con-  
9 solidated Appropriations Act, 2020 (22 U.S.C. 9903) is  
10 amended by inserting after paragraph (11) the following  
11 new paragraph:

12 “(12) Information about unfair business prac-  
13 tices in the maritime, logistics, and shipbuilding sec-  
14 tors in each applicable country or region, includ-  
15 ing—

16 “(A) price-fixing;

17 “(B) market manipulation;

18 “(C) unreasonable refusal to deal (as such  
19 term is defined for purposes of section 7(d) of  
20 the Ocean Shipping Reform Act of 2022 (46  
21 U.S.C. 41104 note)); and

22 “(D) anticompetitive agreements between  
23 ocean carriers and marine terminal operators.”.

24 (d) DISCLOSURE OF CERTAIN INVESTMENTS BY  
25 COUNTRIES RECEIVING AID.—Section 7031(b)(2) of divi-

1 sion K of the Consolidated Appropriations Act, 2014  
2 (Public Law 113–76; 128 Stat. 510) is amended by insert-  
3 ing “and investments in maritime, logistics, and ship-  
4 building sectors” after “allocation practices”).

5 **SEC. 206. ALLIED MARITIME FRAMEWORK.**

6 (a) IN GENERAL.—The President, acting through the  
7 individual designated pursuant to section 202 and in co-  
8 ordination with other relevant agencies and departments,  
9 shall engage allied countries to develop a shared frame-  
10 work to enhance collective capacity to design, produce, and  
11 maintain military and civilian ships, through—

12 (1) enhancing information exchange between  
13 such countries regarding such design, production,  
14 and maintenance;

15 (2) expanding procompetitive industrial collabo-  
16 ration with respect to such ships; and

17 (3) strengthening the marine industries and the  
18 shipbuilding industries in allied countries.

19 (b) ELEMENTS.—The framework required in sub-  
20 section (a) shall include—

21 (1) the establishment of a mechanism to—

22 (A) ensure countries participating in the  
23 framework can access reciprocal ports and ship-  
24 ping support during crises and conflicts;

1 (B) co-develop best-in-class design prin-  
2 ciples for the construction of ships;

3 (C) collaborate, on a reciprocal basis, on  
4 the construction, repair, interoperability, and  
5 other capabilities of new ships to reduce costs;

6 (D) establish guiding principles for produc-  
7 tion line sequencing and supply chain manage-  
8 ment;

9 (E) coordinate Cabinet or Minister-level  
10 recommendations to drive down the production  
11 costs of ships and accelerate the delivery of  
12 ships, consistent with relevant laws in the rel-  
13 evant countries;

14 (F) establish a process for determining  
15 specific ship types or industry niches that are  
16 best suited for allied cooperation, including ice-  
17 breakers, support ships, oilers, tankers, liquified  
18 natural gas carriers, undersea vessels, research  
19 vessels, and dual-fuel ships; and

20 (G) develop a mechanism to incentivize fi-  
21 nancial investments from foreign sources and  
22 remove barriers to foreign direct investment in  
23 shipbuilding;

24 (2) the establishment of a joint workforce-devel-  
25 opment program between participating shipyards

1 and partner networks engaged in the production of  
2 ships for the purpose of training, information shar-  
3 ing, and the exchange of technical advisors;

4 (3) the establishment of a mechanism to de-  
5 velop and share research and development and lever-  
6 age innovation to promote sustainability and mutual  
7 benefit;

8 (4) an agreement among countries participating  
9 in the framework to procure ships and ship compo-  
10 nents from shipyards identified by the participants  
11 as shipyards with specialized capabilities and experi-  
12 ence in ship production; and

13 (5) an agreement among countries participating  
14 in the framework to prevent leakage of dual-use  
15 technologies to companies connected to the military  
16 of the People's Republic of China.

17 **SEC. 207. MARITIME GROUP OF NATIONS.**

18 (a) ESTABLISHMENT.—The Secretary of State shall  
19 seek to establish a group, to be known as the “Maritime  
20 Group of Nations”, to coordinate regulatory and com-  
21 merce policies to facilitate a new maritime multimodalism  
22 for commercial shipping.

23 (b) PARTICIPATION.—

24 (1) INCLUSION.—The Secretary of State should  
25 invite to the Maritime Group of Nations appropriate

1 counterparts from the governments of countries that  
2 meet each of the following criteria:

3 (A) The country is of significant impor-  
4 tance for the purposes of establishing and ad-  
5 vancing the objectives of the Maritime Group of  
6 Nations, as determined by the Secretary of  
7 State.

8 (B) The country additionally is among the  
9 top 15 countries globally with respect to at  
10 least two of the following criteria:

11 (i) Shipbuilding, as measured by ton-  
12 nage as a percentage of global total.

13 (ii) Number of citizens or nationals  
14 who are merchant mariners.

15 (iii) Number of commercially owned  
16 ships greater than 1,000 gross weight ton-  
17 nage.

18 (2) EXCLUSION.—The Maritime Group of Na-  
19 tions established under subsection (a) may not in-  
20 clude a foreign country of concern.

21 (c) FUNCTIONS.—The Maritime Group of Nations es-  
22 tablished under subsection (a) should consider the fol-  
23 lowing:

24 (1) Supporting the establishment of maritime  
25 prosperity zones across a diverse geography, includ-

1       ing areas outside traditional coast shipbuilding and  
2       ship repair centers, to—

3               (A) incentivize and leverage national pri-  
4               vate capital and investment by allied countries  
5               in the maritime industries and waterfront com-  
6               munities; and

7               (B) strengthen industrial base capacity  
8               and readiness through shipbuilding, workforce  
9               development, and expanded manufacturing in-  
10              centives.

11       (2) Supporting the implementation of a coordi-  
12       nated, reciprocal fee on foreign-built vessels, to—

13              (A) provide consistent funding to strength-  
14              en the merchant marine enterprise; and

15              (B) support investments in commercial  
16              shipbuilding, fleet expansion, industrial base re-  
17              silience, and maritime workforce development.

18       (3) Developing standardized reciprocal trade  
19       agreements that—

20              (A) would ensure fair competition; and

21              (B) reduce dependency on adversarial sup-  
22              ply chains.

23       (4) Coordinating a collective position with re-  
24       spect to regulations and guidelines issued by the

1 International Maritime Organization that protects  
2 domestic shipbuilding industries.

3 (5) Implementing and contributing to the ex-  
4 change visitor program authorized by the amend-  
5 ments made by section 204.

6 **SEC. 208. INTERNATIONAL MARITIME ORGANIZATION.**

7 The Secretary of State shall direct the United States  
8 Ambassador to the United Nations to use the voice, vote,  
9 and influence of the United States mission to the United  
10 Nations to urge the International Maritime Organization  
11 of the United Nations, and the members of its Council,  
12 to—

13 (1) revise the International Maritime Organiza-  
14 tion's Net-Zero Framework, specifically to—

15 (A) exclude any limits on conventional  
16 crude or diesel, liquified natural gas, or any  
17 other type of marine propulsion technology and  
18 instead champion an “energy all” approach that  
19 does not restrict or constrain current or break-  
20 through fuel types;

21 (B) remove any financial penalties, carbon  
22 taxes, or multilateral funds which are used to  
23 help nations decarbonize;

24 (C) eliminate penalties on liquified natural  
25 gas, recognize biofuels as viable marine fuels,

1 and support industry-led advances in alternative  
2 fuels and other technologies without creating  
3 undue advantage or disadvantage to certain  
4 fuels or technologies through regulation;

5 (D) withdraw or phase out of any regional  
6 shipping emissions reduction schemes, including  
7 the Emissions Trading System of the European  
8 Union;

9 (E) support an “opt-in” model with re-  
10 spect to the rules of such organization; and

11 (F) remove any net-zero 2050 targets the  
12 President determines unreasonable;

13 (2) advance the candidacy of United States citi-  
14 zens into senior-level positions within the—

15 (A) International Maritime Organization  
16 Assembly;

17 (B) International Maritime Organization  
18 Council; and

19 (C) main committees of the International  
20 Maritime Organization, including—

21 (i) the Maritime Safety Committee;

22 (ii) the Marine Environment Protec-  
23 tion Committee;

24 (iii) the Legal Committee;

1 (iv) the Technical Cooperation Com-  
2 mittee;

3 (v) the Facilitation Committee; and

4 (vi) any Sub-Committee;

5 (3) advance the candidacy of a United States  
6 citizen to fill the position of Secretary-General of the  
7 International Maritime Organization;

8 (4) combat the anti-competitive practices of the  
9 People's Republic of China by investigating and reg-  
10 ulating the deliberate use of policies and practices to  
11 give domestic shipbuilding industries a competitive  
12 advantage over foreign rivals (also known as "indus-  
13 trial targeting");

14 (5) advocate for the consistent enforcement of  
15 existing safety and technical rules to ensure foreign-  
16 flagged vessels meet International Maritime Organi-  
17 zation standards without requiring unilateral United  
18 States regulations; and

19 (6) de-link United States domestic environ-  
20 mental requirements from international certificates  
21 to reduce compliance friction for United States ship-  
22 yards.