



Passenger Vessel Association 103 Oronoco Street, Suite 200
Alexandria, VA 22314

Phone (703) 518-5005
FAX (703) 518-5151
Toll Free 1-800-807-8360

pvainfo@passenger vessel.com
www.passengervessel.com

STATEMENT FOR THE RECORD BEFORE THE U.S. SENATE
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
SUBCOMMITTEE ON COAST GUARD, MARITIME, AND FISHERIES
HEARING TITLED “SEA CHANGE: REVIVING COMMERCIAL
SHIPBUILDING”

Submitted by the Passenger Vessel Association

October 30, 2025

Statement of the Passenger Vessel Association (PVA)
Before the U.S. Senate Committee on Commerce, Science, and Transportation
Subcommittee on Coast Guard, Maritime, and Fisheries
Hearing on “Sea Change: Reviving Commercial Shipbuilding”

October 28, 2025

Chairman Sullivan, Ranking Member Blunt Rochester, and members of the Subcommittee: The Passenger Vessel Association (PVA) appreciates the opportunity to submit testimony in strong support of efforts to strengthen and expand America’s shipbuilding capacity. PVA represents more than 500 operators of U.S.-flagged passenger vessels and their supporting shipyards, naval architects, suppliers, and vendors. Our members operate ferries, excursion vessels, dinner boats, and overnight cruise vessels that carry more than 200 million passengers to and from U.S. ports annually along the coast, on the Great Lakes, and on our nation’s rivers and harbors.

The Role of Small and Mid-Sized Shipyards

U.S. flagged passenger vessels are designed and built almost entirely in small and medium-sized U.S. shipyards, many of them family-owned businesses that are vital to regional economies and workforce development. Within the PVA membership, there are nearly 39 shipyards in 17 states. These yards construct all types of passenger vessels that fly the U.S. flag and are eligible for coastwise service; they also build other types of American vessels. In addition, PVA boasts 15 naval architects in nine states that envision and design vessels. See the attached list of PVA members that are shipyard and naval architects.

PVA supports the **Jones Act and the Passenger Vessel Services Act**. These laws ensure that American shipyards can produce a steady stream of U.S. passenger and other types of vessels for the coastwise trades. This segment of the commercial U.S. shipbuilding industry is thriving. Because of these laws, the Administration does not face the uphill battle to restore shipbuilding capability for small and medium yards, as it does yards that build oceangoing vessels in international trade.

The **Small Shipyard Grant Program**, administered by the Maritime Administration, has been helpful in sustaining this network. By providing modest but strategic investments in equipment, training, and infrastructure, the program has allowed small U.S. shipyards to modernize facilities, improve efficiency, and retain skilled workers.

The Small Shipyard Grant program leverages federal support for local economic growth. Every federal dollar invested generates many more in private capital and sustained employment. PVA urges Congress to continue and expand the Small Shipyard Grant Program to meet rising demand, address inflationary costs, and ensure that small builders remain part of America’s shipbuilding future.

Ferry Construction as a Force Multiplier

In addition to shipyard grants, several federal programs directly support the construction of U.S. built passenger ferries - an essential link in America's maritime transportation network.

- **The Federal Transit Administration's three ferry grant programs (the Passenger Vessel Ferry Grant Program, the Ferry Service for Rural Communities Program, and the Electric or No-Emitting Ferry Pilot Program)** have enabled communities across the nation to build new vessels and terminals that are modern, efficient, and fully compliant with the Buy America Act. These ferries not only expand public transportation but also sustain high-quality shipyard jobs and create repeat orders that keep skilled welders, electricians, and engineers employed.
- **The Federal Highway Administration's Ferry Boat Program**, which provides formula funding to states for ferry construction and improvement, remains another key element in sustaining small and mid-sized shipyards. Many states rely on this consistent source of support to maintain vessel replacement schedules and ensure safe, reliable service for rural and island communities.

Together, these programs ensure that shipbuilding activity occurs across the United States—not just in the major naval yards, but in the smaller regional facilities that are the backbone of our domestic maritime capability.

Strengthening America's Maritime Workforce

Rebuilding U.S. shipbuilding capacity is inseparable from developing a robust maritime workforce. PVA members partner with vocational schools and maritime academies to create career pathways for welders, machinists, marine engineers, and captains. Continued support for federal shipyard and ferry programs sustains this talent pipeline and ensures that American workers—not foreign competitors—will build and operate the vessels that keep our economy moving.

Conclusion

The Passenger Vessel Association commends Chairman Sullivan and the Subcommittee for focusing national attention on the future of U.S. commercial shipbuilding. The Small Shipyard Grant program, the FTA's three ferry promotional grant programs, and the FHWA Ferry Boat Program are proven, effective tools that expand domestic industrial capacity, create good-paying American jobs, and enhance national resilience.

We encourage Congress and the Administration to preserve the Jones Act and the Passenger Vessel Services Act and to fully fund and strengthen these grant programs as part of the broader effort to "Make Shipbuilding Great Again" and ensure that America maintains a competitive, secure, and sustainable maritime industry.