

The Trump administration recently released [“America’s Maritime Action Plan”](#) (MAP), which is the next step towards achieving the policy goals stated in the administration’s April 9, 2025, [Executive Order \(EO\) 14269](#), entitled [“Restoring American Maritime Dominance.”](#)

The MAP focuses on rebuilding the US domestic shipbuilding and port capacity, modernizing maritime regulations, increasing the size of the US merchant fleet, and increasing support for maritime workforce education and training. The [fact sheet](#) accompanying the EO further notes that President Trump has established a new Office of Maritime and Industrial Capacity at the National Security Council, which presumably will help coordinate implementation of the EO. In addition, the US Department of Transportation’s Maritime Administration (MARAD) recently announced US\$500 million in additional funding to restore and revitalize American ports, shipyards and maritime capabilities.

The administration’s interest in financing, subsidizing, and supporting ports and maritime transportation is noteworthy. It has the potential to create significant new opportunities for investment in, and the development, construction and management of, port infrastructure through public private partnerships. The process is just beginning. With pending congressional legislation and federal regulatory efforts to implement the MAP, the opportunity exists to influence federal policy to maximize the role of public private partnerships in port development.

The administration has identified public private partnerships as a key component for delivering improvements to the maritime industry in the US. The MAP is aspirational in tone, with many specifics to be developed as implementing legislation and regulation are adopted. It is clear that the administration is seeking to encourage federal, state and local governments to partner with the private sector to advance the goals of the MAP. Key objectives of the MAP are to:

- “Blend public and private capital for long-lived shipyard and shipbuilding component fabrication. Leverage public private partnership (PPP) platforms to create projects that attract institutional investors while securing national-security priorities.”
- “Explore opportunities for PPP and technology consortiums to share costs and risks in shipbuilding programs. Create tax incentives for shared infrastructure investment in areas where shipbuilders exist. Increase funding levels for existing Maritime Administration (MARAD) programs that support investment in shipyards.”

Regarding the goal of shipyard investments, the MAP states that:

“The primary vehicle for these incentives is the creation of bilateral or multi-lateral PPP, which are typically managed by State-level government agencies, local-level jurisdictions, and utility service providers ...”

Ports and related infrastructure improvements have long provided opportunities for the private sector to engage with public infrastructure. As with surface transportation, private activity bonds (PABs) (subject to state volume caps) may be used to finance “docks and wharves” and related infrastructure, including facilities for loading/unloading passengers or cargo. The MAP does not seek to alter the current rules for using tax-exempt bonds for port-related improvements, and the existing rules will continue to be available to assist the private sector in partnering with the public sector to achieve the goals of the MAP.

As described below, the current legislative context related to the MAP is fluid, and the potential exists for enhancing the availability of PABs as a financing tool for port improvements – potentially by treating port PABs like surface transportation PABs, with a separate national volume cap, expanding the scope of qualified improvements that may be financed with PABs and potentially adopting a program of direct federal support for ports such as that which has been created under the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Water Infrastructure Finance and Innovation Act (WIFIA). With or without such changes, the MAP reflects an administration policy to bring all available resources, including capital and expertise of the private sector, to bear in the improvement of ports and the enhancement of maritime activity.

The Focus of the MAP

The MAP is premised on the notion that commercial shipbuilding and a vibrant merchant marine are directly tied to, and indeed essential to, national and economic security.

- Commercial shipbuilding is integral to national and economic security.
- US-built and US-flagged vessels are viewed as strategic priorities.
- Multiyear procurement and financing reforms aim to stabilize industrial demand.
- Autonomous maritime systems are integrated into long-term industrial planning.
- Arctic access and maritime infrastructure are treated as economic and security assets.
- Workforce, trade, tax and regulatory reforms are used to lock in long-term maritime industrial capacity.

To increase the size of the US-flagged merchant fleet, and grow domestic shipbuilding capabilities and enhance national maritime security, the MAP is broken into the following “pillars”:

Pillar I – Rebuilding US Shipping

- Increasing domestic shipbuilding capacity
- Incentivizing investment in US shipyards
- Establishing maritime prosperity zones to incentivize and align new domestic and allied investment in US maritime industries and waterfront communities
- Addressing supply and demand issues
- Reducing dependence on unreliable suppliers through heightened cooperation with allies and partners

Pillar II: Marine Workforce Education/Training

- Expanding mariner training and education to address workforce challenges in the maritime sector through maritime educational institutions and workforce transitions
- Providing financial and regulatory incentives for the training of shipbuilders and US-credentialed mariners
- Modernizing the US Merchant Marine Academy
- Enhancing maritime training capabilities to meet industry needs

Pillar III: Growing the Marine Industrial Base (MIB)

- Strengthening requirements for shipping government-impelled and commercial cargoes on US-flagged vessels
- Imposing a land port maintenance tax to balance payments from importations across land ports versus maritime ports
- Streamlining and improving acquisition processes for US government vessels, while reducing change orders
- Considering actions, as appropriate, based on the US Trade Representative’s (USTR) investigation of China’s targeting of the maritime, logistics and shipbuilding sectors for dominance

Pillar IV: National and Economic Security

The goals that are part of Pillar IV are designed to strengthen the resilience of the maritime industry as follows:

- Strengthening the resilience of the MIB through improved component supply chains
- Increasing the fleet of commercial vessels trading internationally under the US flag
- Establishing a Maritime Security Trust Fund (MSTF)
- Fostering the development of the autonomous maritime technology industry
- Developing a strategy to secure arctic waterways and enable American prosperity in the face of evolving arctic security challenges and associated risks
- Prioritizing the recapitalization of government-owned sealift vessels

Private capital and expertise are essential to realizing these objectives, and the administration will welcome creative approaches from the private sector to addressing these challenges.

Significant MAP Recommendations

Among the recommendations set forth in the MAP are:

Overhauling Ship Financing

- Investors, the finance industry and other shipping industry professionals should take note that the MAP calls for the long-term funding and the modernization of the federal ship financing program (Title XI), as well as the US Maritime Administration (MARAD) Capital Construction Fund.

Establishing the MSTF

- The MSTF would provide funding for long-term investment in the US’ shipbuilding capacity, fleet expansion and maritime workforce.

Vessel and Land Entry Fees

- A universal fee on foreign built vessels from any nation entering US ports would be imposed. Revenue collected from the universal vessel entry fee would be paid to fund either infrastructure improvements, or the MSTF. The fee would be assessed on the weight of the imported tonnage arriving on the vessel.
- To prevent the circumvention of the vessel entry fees, a land port maintenance tax is proposed based on 0.125% of the value of the merchandise that enters the US.

International Bridge Agreements

- Reaching agreements with allied shipyard to build vessels in their home yards, while having foreign shipbuilders invest in US shipyards.

What’s Next – Expected Congressional and Agency Action

The MAP proposes hundreds of billions of dollars in new investments to achieve its goals, and private capital and expertise will be essential to the achievement of its objectives. The MAP seeks to enhance ports and maritime resources and identifies the private sector as a key player in the process, but federal legislation and favorable regulatory policy will be required to fully achieve the goals of MAP. As the legislative process unfolds, it will be essential to shape the federal, state and local law in a manner that facilitates private involvement and private financing in the accomplishment of the objectives of MAP.

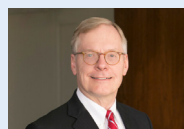
The pending Shipbuilding and Harbor Infrastructure for Prosperity and Security Act of 2025 (SHIPS Act) and the Building Ships in America Act of 2025 both create opportunities to authorize expanded financing tools that will facilitate greater private involvement in shipping, ports and related infrastructure.

The approach that the federal government has taken to supporting improved surface transportation through expanded federal tools, such as enhanced utilization of PABs, and programs such as TIFIA and WIFIA, are models for what the federal government is capable of doing to promote the objectives of MAP. The federal government has the opportunity to realize the full potential of MAP by promoting the use of public private partnerships as a tool to achieve its objectives.

Ports and related infrastructure in the US are creatures of state and local law, and operate in the context of state and local laws that govern how public port authorities may interface with the private sector. In some cases, there will be a need for implementing state and local legislation to employ the new federal resources in creative ways, including through the expanded use of public private partnerships, to realize the full potential of new federal resources.

The surge of federal interest in ports and the maritime industry will create opportunities for the private sector to bring capital and expertise to the effort. A key question will be whether implementing federal legislation and regulation, as well as state and local laws governing the financing and procurement practices of port authorities and related public entities, will operate in a manner designed to bring the full benefit of private sector capital and other resources to bear in achieving the objectives of MAP. Private enterprise engaged in investment, construction and operation of infrastructure will have the opportunity to influence the legislative and regulatory process in a favorable manner. The time to act on behalf of our maritime and port infrastructure is at hand, and the industry has the opportunity to reverse a long-term decline in our shipping and port operations.

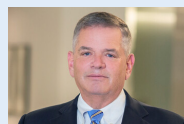
Contacts



Gregory Johnson
Counsel, Denver
T +1 303 894 6187
E gregory.johnson@squirepb.com



Peter Gould
Partner, Denver
T +1 303 894 6176
E peter.gould@squirepb.com



D. Michael Kaye
Partner, Washington DC
T +1 202 457 6545
E michael.kaye@squirepb.com



Austin Harrison
Partner, Atlanta / Washington DC
T +1 678 272 3224
E austin.harrison@squirepb.com