



August 26, 2025

The Honorable Sam Graves
Chairman
U.S. House of Representatives
Transportation & Infrastructure Committee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member
U.S. House of Representatives
Transportation & Infrastructure Committee
2165 Rayburn House Office Building
Washington, DC 20515

Re: Capital Construction Fund – Cargo Handling Equipment

Dear Chairman Graves and Ranking Member Larsen,

On behalf of the National Association of Waterfront Employers (“NAWE”), I write to ask your consideration of including the text of H.R. 3842, the *“Strengthening American Maritime Dominance Act”*, a bipartisan bill referred to your committee, into a floor amendment that the House Transportation and Infrastructure Committee may offer when the House votes on H.R. 3838, the *“National Defense Authorization Act for Fiscal Year 2026”* (“NDAA”).

NAWE is a non-profit trade association whose member companies are privately-owned stevedores, marine terminal operators (MTOs), and other U.S. waterfront employers. NAWA’s member companies engage in business at major U.S. ports on the Atlantic, Pacific and Gulf coasts, the Great Lakes, and Puerto Rico. NAWA’s members operate the critical connection between global commerce and our nation’s economy and are committed to keeping America’s international trade and commerce flowing, while maintaining an unwavering dedication to workplace safety for our waterfront workers. With more than 50 members, NAWA’s membership handles over 90 percent of the United States’ containerized trade, a substantial portion of the nation’s breakbulk trade, and a majority of the nation’s cruise ship passengers. NAWA members are in the business of running our nation’s ports, and our members play an essential part in handling the nation’s supply chain.

NAWE strongly supports H.R. 3842, which aims to strengthen America’s ports by expanding the Capital Construction Fund (CCF), administered by the U.S. Maritime Administration (MARAD). The bill broadens the allowable uses of the CCF, enabling U.S. ports to upgrade their cargo handling equipment (CHE) without relying on appropriations—at no cost to taxpayers.

By allowing private MTOs to access the CCF program, this legislation provides critical support to help these companies that are an essential part of the nation’s supply chain meet today’s economic and regulatory challenges.

Under the current CCF program, U.S. vessel owners may, with MARAD approval, deposit taxable income from vessel operations, depreciation, capital gains from vessel sales, and

earnings on CCF balances into a dedicated CCF account. These funds can then be used, on a tax-deferred basis, for vessel construction, reconstruction, or debt retirement. Enacted more than 40 years ago, the program has been periodically expanded by Congress, most recently in the *FY 2023 NDAA* (P.L. 117-263).

To modernize port infrastructure and ensure the timely movement of goods—lessons underscored by the COVID-19 supply chain crisis—further expansion of the CCF is essential. CHE upgrades are vital to both national economic and security interests. Allowing MTOs to defer taxes and reinvest in newer, more efficient equipment will stimulate private capital investment, create jobs, boost domestic manufacturing, and support local and rural economies.

Like the current CCF program, deposited funds under H.R. 3842 may only be withdrawn on a tax-deferred basis for the purchase or construction of new CHE or to replace or rebuild CHE for operation at MTOs in the U.S. The legislation includes strong Buy America provisions and automation safeguards, including a ban on equipment manufactured in the People’s Republic of China. These measures ensure that investments support American industry and workforce safety.

H.R. 3842 advances key policy goals consistent with bipartisan legislation before the Congress such as the *SHIPS for America Act of 2024* (S.5611) and the Trump Administration’s Executive Order on Restoring America’s Maritime Dominance. Like those broader initiatives, this bill would help revitalize a critical segment of the U.S. maritime transportation system by leveraging private investment to modernize port infrastructure, enhance economic resilience, and promote American manufacturing—all without burdening taxpayers.

Thank you for your consideration of making this important legislation part of the House Transportation Committee floor amendment to the House’s version of the FY 2026 NDAA. Please do not hesitate to contact me or the undersigned members of our association with any questions.

Sincerely,



Carl W. Bentzel
President
National Association of Waterfront Employers

Cc: The Honorable Mike Ezell
The Honorable Salud Carbajal
The Honorable Troy Carter

List of supporting companies and other stakeholder entities