



Submitted Statement for the Record

“Sea Change: Reviving Commercial Shipbuilding”
Senate Committee on Commerce, Science, & Transportation
Subcommittee on Coast Guard, Maritime, and Fisheries
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Chairman Sullivan, Ranking Member Blunt Rochester and Members of the Subcommittee:

On behalf of the American Iron and Steel Institute (AISI), below please find comments for the subcommittee hearing entitled “Sea Change: Reviving Commercial Shipbuilding.” AISI appreciates the subcommittee holding today’s hearing and for its focus on the commercial shipbuilding and maritime sector, which plays an essential role in our defense industrial base, and as such, our national and economic security.

AISI serves as the voice of the American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice. AISI’s membership is comprised of integrated and electric arc furnace (EAF) steelmakers, steel pipe and tube manufacturers and steel processors and fabricators, reflecting the production and distribution of both carbon and stainless steels. These steels are critical to America’s national and economic security, including roads and bridges, buildings, the electrical grid, defense applications, cars and trucks and all clean energy technologies. AISI also represents associate member companies who are suppliers to or customers of the steel industry.

Reviving U.S. shipbuilding capabilities has the potential to create tens of thousands of jobs at U.S. shipyards and within the entire shipbuilding supply chain at manufacturing operations that produce key inputs across the Country. The American steel industry is one of the primary suppliers of critical raw materials to America’s shipbuilding industry. Steel, especially steel plate, is a critical and irreplaceable material used for construction of commercial and military ships. The U.S. has significant steel plate production, including specialty plate for shipbuilding applications, which is currently substantially underutilized. In fact, the U.S. International Trade Commission, in a recent trade remedy proceeding, found that

capacity utilization in the cut-to-length (CTL) plate sector was an average of 67.8% over the period examined.¹ Since that case, domestic CTL plate capacity has only increased, with additional new capacity coming online. U.S. steel producers are fully prepared to meet the steel needs of shipbuilders as they increase their build rates.

In order to maximize the benefits of revitalizing our shipbuilding industry including for suppliers to the sector, Congress and the Administration must institute policies that incentivize utilization of **domestic** supply chains, not just final assembly.

AISI strongly supports policy efforts to revitalize domestic shipbuilding. In particular, we have endorsed S. 1541, the Shipbuilding and Harbor Infrastructure for Prosperity and Security (SHIPS) for America Act of 2025 introduced by Senators Mark Kelly and Todd Young. This bipartisan legislation would enable a comprehensive approach to revitalize the United States shipbuilding and commercial maritime industries. We appreciate the leadership of Senators Kelly and Young on this key legislation, as well as the Senate cosponsors of the bill. The work of Representatives John Garamendi and Trent Kelly to advance the SHIPS for America Act in the U.S. House of Representatives is also critical. AISI endorses this key domestic shipbuilding legislation and looks forward to working with the broad coalition of supporters to enable its passage in both houses of Congress.

AISI and our member companies look forward to continuing to work with Congress to create and implement policies that will increase the demand for domestic steel products that are essential for a revitalized American-made shipbuilding industry.

¹ Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, South Africa, South Korea, Taiwan, and Turkey, Inv. Nos. 701-TA-560-561 and 731-TA-1317-1328, USITC Pub. 5399 (Jan. 2023) at C-9 (Table C-1).