

Congress of the United States

Washington, DC 20515

August 20, 2025

The Honorable Russell Vought
Director
U.S. Office of Management and Budget
725 17th St. NW
Washington, DC 20503

Dear Director Vought,

We write to express our deep concern regarding the White House’s decision to dismantle its Office of Shipbuilding and relegate its functions to the Office of Management and Budget (OMB). Burying this important office, which was previously housed at the National Security Council, several layers down within an executive branch agency risks undermining the expertise and authority that are essential for coordinating whole-of-government efforts to revitalize U.S. shipbuilding. We cannot afford any let-up in our efforts to rebuild this vital industry, and we are concerned that OMB’s structure and expertise do not lend themselves to succeeding in closing the People’s Republic of China’s (PRC) already considerable shipbuilding advantage.

As Ranking Member of the U.S. House Select Committee on the Strategic Competition between the United States and the Chinese Communist Party and the Ranking Member of the Subcommittee on Seapower and Projection Forces, we are all too familiar with the PRC’s decades-long campaign to dominate the global shipbuilding industry at the expense of the United States and our allies and partners. Beijing’s control of global shipbuilding was not an accident. In its “Made in China 2025” plan, the CCP aimed to control half the global shipbuilding market by 2025—a goal it has in fact exceeded as a result of aggressive non-market practices and U.S. policy failures.¹ Just a few decades ago, the United States was the world’s top shipbuilder, but now produces approximately 0.2 percent of total global shipbuilding orders.² In 2023, for every 359 large oceangoing vessels the PRC built, the United States built just one.

In addition to being the world’s largest commercial shipbuilder, Beijing produces over 95 percent of the world’s shipping containers and owns approximately 19 percent of the world’s

¹ *Transcript of Ranking Member Krishnamoorthi’s Testimony at USTR Public Hearing Regarding Proposed Actions in Section 301 Investigation on China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance*, Select Committee on the CCP – Democrats. March 24, 2025. <https://democrats-selectcommitteeontheccp.house.gov/media/press-releases/transcript-ranking-member-krishnamoorthis-testimony-ustr-public-hearing>.

² Ibid

flagged ships.³ As a result, our foremost adversary now dominates an industry that is responsible for transporting 70 percent of the cargo that enters the United States every year, which is an unacceptable dependency the PRC could weaponize in the event of a major crisis or conflict.⁴

This Administration's Executive Order 14629 "Restoring America's Maritime Dominance," signed on April 9, 2025, helps begin the long process of revitalizing the U.S. shipbuilding industry.⁵ Its requirements to develop a Maritime Action Plan, expand domestic shipbuilding and port infrastructure, impose tariffs and fees on adversarial maritime imports, and modernize the Merchant Marine workforce are all essential components of this effort. Perhaps most importantly, the Executive Order also calls for the creation of a Maritime Security Trust Fund to provide consistent, long-term support for shipbuilding, mariner training, and infrastructure development in the United States. President Trump himself has spoken about the importance of these efforts, highlighting his goal to revitalize U.S. shipbuilding in this year's joint address to Congress.⁶

Despite this rhetorical support, concrete action is urgently needed. Given your role as the principal architect of a number of federal programmatic cuts, we have serious concerns about the ability of OMB under your leadership to coordinate the revival of our shipbuilding industry. Your longstanding advocacy for deep reductions to federal spending, the federal workforce, and industrial policy, which conflict with the comprehensive efforts necessary not only to bolster U.S. shipbuilding but also to carry out the stated policies of this Administration, undermine the rebuilding efforts needed.⁷ OMB's lack of specialized policy expertise that other bodies like the National Security Council, National Economic Council, Commerce Department, and other cabinet agencies possess raises further concerns about its ability to coordinate shipbuilding policy.

As such, we request answers to the following questions by September 10, 2025:

- What is OMB's strategy to ensure the executive branch meets its stated shipbuilding goals, to include the deadlines and objectives established by E.O. 14629?

³ *Section 301 Investigation: Report on China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance*, Office of the United States Trade Representative. January 16, 2025.

<https://ustr.gov/sites/default/files/enforcement/301Investigations/USTRRReportChinaTargetingMaritime.pdf>.

⁴ *Maritime Services Trade Data*, International Trade Administration. <https://www.trade.gov/maritime-services-trade-data>.

⁵ *Executive Order: Restoring America's Maritime Dominance*, The White House. April 9, 2025.

<https://www.whitehouse.gov/presidential-actions/2025/04/restoring-americas-maritime-dominance/>.

⁶ *Address Before a Joint Session of the Congress*. March 4, 2025.

<https://www.presidency.ucsb.edu/documents/address-before-joint-session-the-congress-4>.

⁷ *Mandate for Leadership: The Conservative Compromise, Project 2025, Presidential Transition Project*, The Heritage Foundation. https://static.heritage.org/project2025/2025_MandateForLeadership_FULLL.pdf.

- How does OMB plan to staff the shipbuilding office after multiple rounds of cuts to NSC staffing have left the original office greatly diminished?
- What support does OMB need from Congress to effectively implement the Administration's shipbuilding priorities?
- How do you plan to reconcile the imperative to revitalize U.S. shipbuilding with your historical opposition to industrial policy?
- How does OMB plan to implement the Maritime Action Plan, including establishing its Maritime Security Trust Fund?

Thank you for your attention to this important matter. We look forward to working with you to restore this important American industry.

Sincerely,



Raja Krishnamoorthi
Ranking Member
House Select Committee on the CCP



Joe Courtney
Ranking Member
Subcommittee on Seapower and Projection
Forces