

1 quirement under subsection (c)(3)(A)(i)(I)(aa)), a
2 vessel qualifying for funding through the pilot pro-
3 gram under this subsection shall only be eligible if
4 the Administrator certifies that the vessel of the
5 United States that will be constructed—

6 “(A) will operate in an emerging industry
7 or a new trade lane and will not compete with
8 existing vessels of the United States; or

9 “(B)(i) will replace an existing vessel of
10 the United States that is or will be acquired by
11 the Administrator to be placed in the National
12 Defense Reserve Fleet, pursuant to section
13 57101; and

14 “(ii) will operate for not longer than 21
15 years and upon disposition will be placed in the
16 National Defense Reserve Fleet, pursuant to
17 section 57101.

18 “(3) RULE OF CONSTRUCTION.—Nothing in
19 this subsection shall be construed to alter the re-
20 quirements under section 55102.

21 “(g) CLAWBACK.—

22 “(1) TARGET DATES.—For all awards to cov-
23 ered entities under this section, the Administrator
24 shall, before the award is made, determine target

1 dates by which the vessel's construction or a quali-
2 fied shipyard investment shall be completed.

3 “(2) PROGRESSIVE RECOVERY FOR DELAYS.—
4 Subject to paragraph (3), if a covered entity does
5 not meet such target dates, the Administrator shall
6 progressively recover up to the full amount of an
7 award provided to a covered entity under this sec-
8 tion.

9 “(3) WAIVER.—In the case of delays that do
10 not meet such target dates, the Administrator may
11 waive elements of the progressive recovery described
12 in paragraph (2) that is incorporated in each award
13 after—

14 “(A) making a formal determination that
15 circumstances beyond the ability of the covered
16 entity to foresee or control are responsible for
17 delays; and

18 “(B) submitting congressional notification.

19 “(4) CONGRESSIONAL NOTIFICATION.—The Ad-
20 ministrator shall notify the appropriate committees
21 of Congress—

22 “(A) of the target dates described in para-
23 graph (1) for each award; and