"(6) FOREIGN COMMERCE.—The term 'foreign commerce' means—

"(A) commerce or trade between the United States, its territories or possessions, or the District of Columbia, and a foreign country; and

"(B) commerce or trade between foreign countries.

"(7) FOREIGN COUNTRY OF CONCERN; FOREIGN ENTITY OF CONCERN.—The terms 'foreign country of concern' and 'foreign entity of concern' have the meanings given such terms in section 4 of the SHIPS for America Act of 2024.

"(8) QUALIFIED FOREIGN BUILT VESSEL.—The term 'qualified foreign built vessel'—

"(A) means a vessel that—

"(i) is not more than 14 years of age; and

"(ii) was constructed (or reconstructed) outside the United States; and

"(B) does not include a vessel that, prior to entry into the Fleet—

"(i) was owned or operated by a foreign entity of concern;

"(ii) is a vessel of a foreign country of concern;

"(iii) was constructed by a shipyard that was owned or operated by a foreign entity of concern or located in a foreign country of concern; or

"(iv) was registered as a vessel of a foreign country of concern at any time during the 3 years prior to entry into the Fleet.

"(9) UNITED STATES BUILT VESSEL.—The term 'United States built vessel' means a vessel that is constructed in the United States (and, if reconstructed, reconstructed in the United States).

"(10) UNITED STATES CITIZEN TRUST.—The term 'United States citizen trust' has the meaning given such term in section 53201.

"§ 53602. Establishment of Strategic Commercial Fleet

"(a) IN GENERAL.—The Administrator, in consultation with the Secretary of Defense, shall establish a fleet, to be known as the 'Strategic Commercial Fleet', of active, commercially viable, militarily useful, privately owned vessels to meet national defense and other security requirements and maintain a United States presence in international commercial shipping.

"(b) NUMBER OF VESSELS.—The Administrator shall seek to select eligible vessels described in subsection (d) for the Fleet through an annual competitive selection process in accordance with the annual target number for the Fleet recommended by the Maritime Security Board under section 50401(b)(2)(B)(i). Through such annual selection process, the Administrator shall—

"(1) select for inclusion in the Fleet not fewer than 10 vessels in the 12-month period that begins on the date that is 2 years after the date of enactment of this section;

"(2) increase the number of vessels selected for inclusion in the Fleet annually such that not later than 5 years after such date of enactment, not fewer than 20 vessels are selected for such inclusion annually; and

"(3) ensure that the total number of vessels included in the fleet shall be not more than 250 vessels at any point in time.

"(c) SOLICITATION; ENTRY INTO FLEET.—

"(1) SOLICITATION.—

"(A) IN GENERAL.—The Administrator shall solicit applications from covered entities to competitively select vessels that are eligible under subsection (d) and meet the requirements of this subsection for inclusion in the Fleet.

"(B) PUBLIC SOLICITATION REQUIREMENTS.—In soliciting applications under subparagraph (A), the Administrator shall—

"(i) publish a notice in the Federal Register, which, at a minimum, identifies the requirements for the number of vessels as established by the Administrator and the Maritime Security Board under subsection (b); and

"(ii) allow applicants not less than 30 days to submit an application for entry into the Fleet.

"(2) ELIGIBLE APPLICATIONS.—The Administrator shall solicit and accept applications in separate processes for each of the following:

"(A) NEWLY CONSTRUCTED VESSELS.—

"(i) IN GENERAL.—A covered entity may submit an application for the Fleet that involves the construction of a United States built vessel and operation of such vessel as a vessel of the United States in foreign commerce.

"(ii) INTERIM VESSEL.—An application described in clause (i) from a covered entity may include a proposal for the use of an interim vessel, if such proposal provides that—

"(I) the covered entity will operate a qualified foreign-built vessel as a vessel of the United States in foreign commerce as part of the Fleet until the United States built vessel described in such clause enters the Fleet, in accordance with the milestones established within the operating agreement under section 53603(c)(1);

"(II) when the United States built vessel enters the Fleet or the covered entity fails to meet milestones established in the operating agreement, the qualified foreign-built vessel shall be removed from the Fleet; and

"(III) the covered entity may then transfer and register the qualified foreign-built vessel under a registry of any foreign country that is not a foreign country of concern.

"(B) QUALIFIED FOREIGN-BUILT VESSELS.—

"(i) IN GENERAL.—Through fiscal year 2029, a covered entity may submit an application for the Fleet that involves the operation of a qualified foreign-built vessel as a vessel of the United States in foreign commerce.

"(ii) EXCEPTION.—After fiscal year 2029, the Administrator may not enter into a new agreement or renew an existing agreement to bring a qualified foreign-built vessel into the Fleet unless—

"(I) the vessel is operating as an interim vessel under subparagraph (A)(ii); or

"(II) the Administrator and Secretary of Defense, in consultation with the Maritime Security Board, jointly certify to the appropriate committees of Congress that adding additional qualified foreign-built vessels to the Fleet is necessary for the national security of the United States until replaced by a newly constructed vessel to meet the schedule under subsection (b).

"(3) PROCEDURE.—

"(A) IN GENERAL.—A covered entity shall submit an eligible application under paragraph (2) as at such time, in such manner, and containing such information as the Administrator may require. Such application shall include—

"(i) a proposed annual operating support payment, which may cover the difference in operating costs associated with operating a vessel of the United States as compared to a fair and reasonable estimate of the cost of operating that type of vessel under the laws of a foreign country;

"(ii) in the case of an application described in paragraph (2)(A), a proposed annual capital support payment, which may cover the difference in capital costs associated with constructing a vessel in the United States as compared to a fair and reasonable estimate of the cost of the con-