

119TH CONGRESS }
2d Session } HOUSE OF REPRESENTATIVES { REPORT
119-

DEFENDING AMERICAN PROPERTY ABROAD ACT OF 2026

FEBRUARY --, 2026.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GRAVES, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

together with

____ VIEWS

[To accompany H.R. 7084]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 7084) to amend title 46, United States Code, with respect to the types of vessels that may enter or operate in navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Defending American Property Abroad Act of 2026”.

SEC. 2. CONDITION FOR ENTRY INTO PORTS IN THE UNITED STATES.

Section 70022 of title 46, United States Code, is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)—

(i) by striking “subsection (b)(1)” and inserting “subsection (b)(1)(A);

and

(ii) in subclause (II) by striking “; or” and inserting a semicolon;

(B) in clause (ii)—

(i) by striking “subsection (b)(2)” and inserting “subsection (b)(1)(B);

and

(ii) by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

- “(iii) vessel described in subsection (b)(1) in the case of—
 - “(I) an emergency being experienced by a vessel or an individual on the vessel; or
 - “(II) a vessel authorized by the owner, as described in subsection (b)(1)(C)(ii), to transit the facilities described in subsection (b)(1)(C).”; and
- (2) in subsection (b)—
 - (A) in paragraph (2) by striking the period at the end and inserting “; or”;
 - (B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B) (and by moving the margins of such subparagraphs accordingly);
 - (C) by striking “A vessel referred” and inserting the following:
 - “(1) IN GENERAL.—A vessel referred”; and
 - (D) by adding at the end the following:
 - “(C) a vessel that has transited a port, harbor, or marine terminal, that at the time of such transit—
 - “(i) was located within the territory of a Western Hemisphere country that has in effect a free trade agreement with the United States;
 - “(ii) was accessible only through land that is owned, held, or controlled, directly or indirectly, by a United States person; and
 - “(iii) was designated by the President under paragraph (2), and has not had such designation removed under paragraph (3).
- “(2) DESIGNATION.—The President may designate a port, harbor, or marine terminal under this subsection if an agency or official of the government of the Western Hemisphere foreign trade partner has—
 - “(A) nationalized, or expropriated the port, harbor, or marine terminal, owned, held, or controlled, directly or indirectly, by a United States person; or
 - “(B) taken any other action that has the effect of expropriating or nationalizing that port, harbor, or marine terminal, or land providing the exclusive access to that port, harbor, or marine terminal, as described in paragraph (1)(C)(ii), as long as the matter is not the subject of a currently pending arbitration under a free trade agreement described in paragraph (1)(C)(i).
- “(3) REMOVAL OF DESIGNATION.—The President shall remove the designation of a port, harbor, or marine terminal made under paragraph (2) if the President determines that—
 - “(A) the conditions set forth in paragraph (2) are no longer met;
 - “(B) the Western Hemisphere country has restored ownership of the property of the United States person and terminated any measures that had the effect of seizing ownership or possession of that property;
 - “(C) the Western Hemisphere country has provided adequate and effective compensation for such property in convertible foreign exchange or other mutually acceptable compensation equivalent to the full value thereof, as required by international law; or
 - “(D) the dispute has otherwise been resolved to the satisfaction of the President.”.

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PURPOSE OF LEGISLATION

The purpose of H.R. 7084, as amended, is to amend title 46, United States Code, with respect to the types of vessels that may enter or operate in navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The United States is a maritime Nation with 95 percent of all cargo entering through the Marine Transportation System (MTS).¹ Cargo activity at United States ports accounts for 26 percent of the United States' gross domestic product (GDP), generating nearly \$5.4 trillion in total economic activity, and supporting 31 million direct and indirect jobs.² Given the importance of the international maritime supply chain to our domestic economy, United States

¹ U.S. ENVIRONMENTAL PROTECTION AGENCY, *Ports Primer: 2.1 The Role of Ports*, available at <https://www.epa.gov/ports-initiative/ports-primer-21-role-ports>.

² U.S. DEP'T OF HOMELAND SECURITY, *Fact Sheet: DHS Moves to Improve Supply Chain Resilience and Cybersecurity Within Our Maritime Critical Infrastructure*, available at <https://www.dhs.gov/archive/news/2024/02/21/fact-sheet-dhs-moves-improve-supply-chain-resilience-and-cybersecurity-within-our>.

companies and persons rely on vessels and facilities at foreign ports to move their cargo to United States markets.

To ensure that the property rights of United States companies and persons are maintained abroad, H.R. 7084, as amended, provides the President the authority to limit the entry of vessels into the United States who have called at ports, harbors, or marine terminals that were controlled by a United States person and have been nationalized or expropriated by an agency or official of the government of a Western Hemisphere trading partner.

For example, in 1986, a United States company opened a quarry near Playa del Carmen, Mexico, to supply crushed limestone for infrastructure and other construction projects to United States markets. To distribute those materials, the company built a deep-water port on the Yucatan Peninsula in Mexico, and, over decades, also invested in a United States distribution network. On September 23, 2024, the Government of Mexico decreed the property a Naturally Protected Area (NPA), limiting productive use of the property. Subsequently, the Mexican Government has opened additional quarries in the area operated by Mexican companies. The bill dissuades similar actions by limiting the entry into the United States of vessels that have called on ports, harbors, or marine terminals that were once controlled by a United States person or entity, and have been subsequently nationalized or expropriated by an agency or official of the government of a Western Hemisphere trading partner. Under the bill, such vessels may resume calling on United States ports once the land in question is paid for or returned to its rightful owner.

The goal of H.R. 7084, as amended, is to protect the interest of American property owners from wrongful seizure by a foreign government. The protection of property rights of American companies abroad is a crucial component for both economic growth and national security.

HEARINGS

For the purposes of Rule XIII, clause 3(c)(6)(A) of the 119th Congress –

The following hearing was used to develop or consider H.R. 7084: The Subcommittee on Coast Guard and Maritime Transportation held a hearing on February 5, 2025 entitled “*America Builds: Maritime Infrastructure*.” The hearing examined the importance of domestic ports, infrastructure safety and security issues, and current funding and investment needs. The subcommittee received testimony from Mr. Paul Anderson, President and Chief Executive Officer, Port Tampa Bay, Mr. Joe Rella, President, St. Johns Ship Building Inc. (on behalf of the Shipbuilders Council of America), Mr. Tom Reynolds, Chief Strategy Officer, SEASATS (on behalf of Association for Uncrewed Vehicle Systems International, and Mr. Brian Schoeneman, Political and Legislative Director, Seafarers International Union of North America (on behalf of USA Maritime).

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 7084, the “*Defending American Property Abroad Act of 2026*,” was introduced in the United States House of Representatives on January 15, 2026, by Representative August Pfluger (R-TX) and referred to the Committee on Transportation and Infrastructure. Within the Committee on Transportation and Infrastructure, H.R. 7084 was referred to the Subcommittee Coast Guard and Maritime Transportation. The Subcommittee on Coast Guard and Maritime Transportation was discharged from further consideration of H.R. 7084 on January 21, 2026.

The Committee considered H.R. 7084 on January 21, 2026, and ordered the measure to be reported to the House with a favorable recommendation, with amendment, by recorded vote of 36 yeas to 22 nays.

An Amendment in the Nature of a Substitute to H.R. 7084, offered by Mr. Mann of Kansas; was AGREED TO by voice vote.

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

The vote was as follows:

Vote: 67		Measure: H.R. 7084, as amended	
On: Final passage			
Yea	36	Nay	22
Present	0	Not Voting	8
Member	Vote	Member	Vote
Mr. Graves of MO	Y	Mr. Larsen of WA	N
Mr. Crawford	Y	<i>Ms. Norton</i>	
Mr. Webster of FL	Y	Mr. Nadler	N
Mr. Massie	Y	Mr. Garamendi	N
Mr. Perry	Y	Mr. Johnson of GA	N
Mr. Babin	Y	Mr. Carson	N
Mr. Rouzer	Y	Ms. Titus	
Mr. Bost	Y	Mr. Huffman	N
Mr. Westerman	Y	Ms. Brownley	Y
Mr. Mast		Ms. Wilson of FL	
Mr. Stauber	Y	Mr. DeSaulnier	N
Mr. Burchett	Y	Mr. Carbajal	Y
Mr. Johnson of SD	Y	Mr. Stanton	Y

Mr. Van Drew		Ms. Davids of KS	N
Mr. Nehls		Mr. Garcia of IL	N
Mr. Mann	Y	Mr. Pappas	N
Mr. Owens	Y	Mr. Moulton	N
Mr. Burlison	Y	Ms. Strickland	N
Mr. Collins	Y	Mr. Ryan	N
Mr. Ezell	Y	Ms. Hoyle of OR	N
Mr. Kiley	Y	Mrs. Sykes	N
Mr. Fong	Y	Ms. Scholten	N
Mr. Wied	Y	Mrs. Foushee	N
Mr. Barrett	Y	Mr. Deluzio	N
Mr. Begich	Y	Mr. Garcia of CA	
Mr. Bresnahan	Y	Ms. Pou	N
Mr. Hurd	Y	Ms. McDonald Rivet	N
Mr. Shreve	Y	Ms. Friedman	N
Mr. McDowell	Y	Ms. Gillen	Y
Mr. Taylor	Y	Mr. Figures	Y
Mr. Knott		Mr. Frost	N
Ms. King-Hinds	Y		
Mr. Kennedy	Y		
Mr. Onder	Y		
Mr. Patronis	Y		

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to the requirements of clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the *Congressional Budget Act of 1974* has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has

received the enclosed cost estimate for H.R. 7084, as amended, from the Director of the Congressional Budget Office:



February 12, 2026

H.R. 7084, Defending American Property Abroad Act of 2026			
As ordered reported by the House Committee on Transportation and Infrastructure on January 21, 2026			
By Fiscal Year, Millions of Dollars	2026	2026-2031	2026-2036
Direct Spending (Outlays)	0	0	0
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2037?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2037?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

H.R. 7084 would amend the criteria used to determine whether a vessel may operate in U.S. waters or transfer cargo at a U.S. port. Specifically, the bill would authorize those activities for vessels that are otherwise prohibited under current law if the vessels are experiencing an emergency. In addition, the bill would prohibit entry by vessels that have accessed foreign ports or marine terminals previously controlled by U.S. citizens and later nationalized or expropriated by certain foreign governments, as determined by the Department of State.

Vessels that unlawfully enter U.S. ports are subject to civil penalties assessed by the Coast Guard, which are recorded in the budget as revenues. Enacting H.R. 7084 could affect the amount of civil penalty collections by changing the number of vessels authorized to enter the United States. Based on the number of expected cases, CBO estimates that the change in revenues under the bill would total less than \$500,000 over the 2026-2036 period.

CBO further estimates that implementing the administrative requirements in H.R. 7084 would cost the Coast Guard and the Department of State less than \$500,000 over the 2026-2031 period. Any related spending would be subject to the availability of appropriated funds.

The CBO staff contacts for this estimate are Aaron Krupkin (for the Coast Guard) and Sunita D'Monte (for the Department of State). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Phillip L. Swagel
Director, Congressional Budget Office

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to strengthen the property rights of U.S. persons.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 7084 establishes or reauthorizes a program of the Federal government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the Rule XXI.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the *Unfunded Mandates Reform Act* (Public Law 104-4).

PREEMPTION CLARIFICATION

Section 423 of the *Congressional Budget Act of 1974* requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 7084 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the definition of Section 5(b) of the appendix to Title 5, United States Code, are created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act* (Public Law 104-1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short Title.

This section provides that the Act may be cited as the “*Defending American Property Abroad Act of 2026*”.

Section 2. Condition for Entry into Ports in the United States.

This section amends section 70022 of title 46, United States Code, to permit the President to prohibit entry and operation of a vessel that has transited a port, harbor, or marine terminal that was held or controlled by a United States person but has since been determined by the President to have been nationalized, expropriated by a Western Hemisphere country, with which the United States has a free trade agreement.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

[INSERT OLC Ramseyer]

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

TITLE 46, UNITED STATES CODE

* * * * *

SUBTITLE VII—SECURITY AND DRUG ENFORCEMENT

* * * * *

CHAPTER 700—PORTS AND WATERWAYS SAFETY

* * * * *

SUBCHAPTER III—CONDITION FOR ENTRY INTO PORTS IN THE UNITED STATES

* * * * *

§ 70022. Prohibition on entry and operation

(a) PROHIBITION.—

(1) IN GENERAL.—Except as otherwise provided in this section, no vessel described in subsection (b) may enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States.

(2) LIMITATIONS ON APPLICATION.—

(A) IN GENERAL.—The prohibition under paragraph (1) shall not apply with respect to—

(i) a vessel described in [subsection (b)(1)] *subsection (b)(1)(A)*, if the Secretary of State determines that—

(I) the vessel is owned or operated by or on behalf of a country the government of which the Secretary of State determines is closely cooperating with the United States with respect to implementing the applicable United Nations Security Council resolutions (as such term is defined in section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016); or

(II) it is in the national security interest not to apply the prohibition to such vessel[; or];

(ii) a vessel described in [subsection (b)(2)] *subsection (b)(1)(B)*, if the Secretary of State determines

that the vessel is no longer registered as described in that subsection **[.]**; or

(iii) vessel described in subsection (b)(1) in the case of—

(I) an emergency being experienced by a vessel or an individual on the vessel; or

(II) a vessel authorized by the owner, as described in subsection (b)(1)(C)(ii), to transit the facilities described in subsection (b)(1)(C).

(B) NOTICE.—Not later than 15 days after making a determination under subparagraph (A), the Secretary of State shall submit to the Committee on Foreign Affairs and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate written notice of the determination and the basis upon which the determination was made.

(C) PUBLICATION.—The Secretary of State shall publish a notice in the Federal Register of each determination made under subparagraph (A).

(b) VESSELS DESCRIBED.—**[A vessel referred]**

(1) *IN GENERAL.*—A vessel referred to in subsection (a) is a foreign vessel for which a notice of arrival is required to be filed under section 70001(a)(5), and that—

[(1)] (A) is on the most recent list of vessels published in the Federal Register under subsection (c)(2); or

[(2)] (B) more than 180 days after the publication of such list, is knowingly registered, pursuant to the 1958 Convention on the High Seas entered into force on September 30, 1962, by a government the agents or instrumentalities of which are maintaining a registration of a vessel that is included on such list **[.]**; or

(C) a vessel that has transited a port, harbor, or marine terminal, that at the time of such transit—

(i) was located within the territory of a Western Hemisphere country that has in effect a free trade agreement with the United States;

(ii) was accessible only through land that is owned, held, or controlled, directly or indirectly, by a United States person; and

(iii) was designated by the President under paragraph (2), and has not had such designation removed under paragraph (3).

(2) *DESIGNATION.*—The President may designate a port, harbor, or marine terminal under this subsection if an agency or official of the government of the Western Hemisphere foreign trade partner has—

(A) nationalized, or expropriated the port, harbor, or marine terminal, owned, held, or controlled, directly or indirectly, by a United States person; or

(B) taken any other action that has the effect of expropriating or nationalizing that port, harbor, or marine ter-

minal, or land providing the exclusive access to that port, harbor, or marine terminal, as described in paragraph (1)(C)(ii), as long as the matter is not the subject of a currently pending arbitration under a free trade agreement described in paragraph (1)(C)(i).

(3) REMOVAL OF DESIGNATION.—The President shall remove the designation of a port, harbor, or marine terminal made under paragraph (2) if the President determines that—

(A) the conditions set forth in paragraph (2) are no longer met;

(B) the Western Hemisphere country has restored ownership of the property of the United States person and terminated any measures that had the effect of seizing ownership or possession of that property;

(C) the Western Hemisphere country has provided adequate and effective compensation for such property in convertible foreign exchange or other mutually acceptable compensation equivalent to the full value thereof, as required by international law; or

(D) the dispute has otherwise been resolved to the satisfaction of the President.

(c) INFORMATION AND PUBLICATION.—The Secretary of the department in which the Coast Guard is operating, with the concurrence of the Secretary of State, shall—

(1) maintain timely information on the registrations of all foreign vessels over 300 gross tons that are known to be—

(A) owned or operated by or on behalf of the Government of North Korea or a North Korean person;

(B) owned or operated by or on behalf of any country in which a sea port is located, the operator of which the President has identified in the most recent report submitted under section 205(a)(1)(A) of the North Korea Sanctions and Policy Enhancement Act of 2016; or

(C) owned or operated by or on behalf of any country identified by the President as a country that has not complied with the applicable United Nations Security Council resolutions (as such term is defined in section 3 of such Act); and

(2) periodically publish in the Federal Register a list of the vessels described in paragraph (1).

(d) NOTIFICATION OF GOVERNMENTS.—

(1) IN GENERAL.—The Secretary of State shall notify each government, the agents or instrumentalities of which are maintaining a registration of a foreign vessel that is included on a list published under subsection (c)(2), not later than 30 days after such publication, that all vessels registered under such government's authority are subject to subsection (a).

(2) ADDITIONAL NOTIFICATION.—In the case of a government that continues to maintain a registration for a vessel that is included on such list after receiving an initial notification under paragraph (1), the Secretary shall issue an additional notification to such government not later than 120 days after the publication of a list under subsection (c)(2).

(e) NOTIFICATION OF VESSELS.—Upon receiving a notice of arrival under section 70001(a)(5) from a vessel described in subsection (b), the Secretary of the department in which the Coast Guard is operating shall notify the master of such vessel that the vessel may not enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States, unless—

(1) the Secretary of State has made a determination under subsection (a)(2); or

(2) the Secretary of the department in which the Coast Guard is operating allows provisional entry of the vessel, or transfer of cargo from the vessel, under subsection (f).

(f) PROVISIONAL ENTRY OR CARGO TRANSFER.—Notwithstanding any other provision of this section, the Secretary of the department in which the Coast Guard is operating may allow provisional entry of, or transfer of cargo from, a vessel, if such entry or transfer is necessary for the safety of the vessel or persons aboard.

(g) RIGHT OF INNOCENT PASSAGE AND RIGHT OF TRANSIT PASSAGE.—This section shall not be construed as authority to restrict the right of innocent passage or the right of transit passage as recognized under international law.

* * * * *