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Congress Considers Private Actors Against Crypto Hackers

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A new congressional proposal could give the U.S. President authority to enlist private actors in the fight against foreign-based cryptocurrency criminals.

Representative David Schweikert introduced House Resolution 4988, titled the Scam Farms Marque and Reprisal Authorization Act of 2025, which revives the constitutional practice of "letters of marque and reprisal." Historically, these letters authorized privateers to seize enemy property during naval conflicts. The legislation applies this framework to digital networks, allowing authorized U.S. citizens or companies to pursue cybercriminals engaged in cryptocurrency theft.

Under the proposed measure, approved individuals or companies could be authorized to recover stolen cryptocurrency or disrupt operations of hostile foreign networks. The bill specifies that these actors may use "all means reasonably necessary" to achieve these objectives. It also requires participants to post security bonds and comply with federal oversight provisions to ensure accountability.

The bill does not alter existing federal law enforcement authority but introduces a constitutional mechanism designed to supplement current enforcement tools. It emphasizes that letters of marque would only be issued under presidential authorization and subject to congressional notification.

The measure is currently under review by the House Committee on Foreign Affairs. If advanced, it would proceed to a full vote in the House of Representatives before consideration in the Senate. Despite coordination among law enforcement agencies in multiple jurisdictions, recovery of stolen funds has proven difficult, and prosecution of perpetrators has been limited.

According to public statements and legislative records, H.R. 4988 is intended to address this enforcement gap by enabling private actors with technical expertise to contribute directly to recovery efforts.

The proposal outlines several restrictions and safeguards. Participants would be required to obtain formal authorization, post a security bond, and operate under U.S. jurisdictional limits. Oversight measures would include congressional notification and potential revocation of authorization if requirements are not met.

Because the legislation authorizes operations against actors located in foreign jurisdictions, any deployment of letters of marque could raise international legal questions. The text of the bill states that operations would remain subject to U.S. law and applicable treaties.

As of August 2025, H.R. 4988 remains before the House Committee on Foreign Affairs. No vote has yet been scheduled. If the committee approves the bill, it will advance to the House floor and then to the Senate. The proposal would require both chambers of Congress to pass the measure and the President's signature to become law.