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DOJ’s new Fraud Division announces enforcement priorities

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On August 13, 2026, DOJ published a memorandum outlining the enforcement priorities of the National Fraud Enforcement Division – the new DOJ component created earlier this year to combat fraud as part of the Trump Administration’s broader enforcement agenda. The memo highlights key areas of focus for white collar enforcement.

Background

In April 2026, DOJ established the National Fraud Enforcement Division (“Fraud Division”), a new division with dedicated leadership and an expansive mandate to lead federal fraud enforcement, particularly in cases involving misuse of taxpayer dollars. As outlined in its August 2026 memo, the Fraud Division has developed rapidly since its inception and expects approximately 500 attorneys and staff by late August 2026 – with plans to grow significantly over the next two years. DOJ is also shifting substantial resources from other DOJ components to the Fraud Division. The announced priorities give companies a sense of where DOJ will be focusing additional resources and efforts.

Priority enforcement areas

The memo identifies five principal enforcement areas:

Public trust and financial integrity

The Fraud Division will prioritize prosecutions of organizations and individuals who defraud the government, steal taxpayer dollars, corrupt the economy, or defraud Americans. These priorities include government procurement fraud – such as defective pricing, bid rigging, self-dealing, bribery, product substitution, and billing frauds – as well as fraud affecting government benefit and grant programs, from student loans and disaster relief to small business programs.

Healthcare

The Fraud Division will target exploitative healthcare fraud schemes – including telemedicine fraud, Medicare and Medicaid fraud, controlled substance diversion, home-health and hospice schemes, and deceptive marketing of unsafe products. DOJ intends to supercharge its Health Care Fraud Strike Force model with “greater resources, data analytics support, and best-in-class technology.” This follows DOJ’s June 2026 “National Health Care Fraud Takedown,” in which the then-Acting Attorney General and the Assistant Attorney General for the Fraud Division announced charges involving over $6.5 billion in alleged losses.

Internal revenue

The memo identifies criminal tax enforcement as integral to the Fraud Division's mandate. The Division will target unethical return preparers, income concealment, and abusive tax scheme promoters.

Global trade and commerce

The Fraud Division will lead DOJ's coordinated criminal enforcement strategy targeting trade and customs violations. Priority areas include illicit transshipment schemes, country-of-origin fraud, undervaluation of imports to evade duties, sanctions evasion, and forced labor. This is another example of DOJ's continued activity in these areas, which includes its July 2026 release of a resource guide to trade fraud enforcement and announcement that the cross-agency Trade Fraud Task Force surpassed $1 billion in recoveries and charged losses since 2025.

Corporate misconduct

The memo notes that "[b]usinesses frequently engage in fraud and other economic crimes, eager to benefit financially from the criminal conduct of their employees." The Fraud Division will prioritize "anti-fraud corporate enforcement" and seek to hold organizations accountable, while "rewarding those that voluntarily self-disclose, cooperate, and remediate." A dedicated Corporate Enforcement Section within the Fraud Division will ensure that "appropriate resources are committed to combating fraud by corporations." It will also help ensure that DOJ applies its policies on the prosecution of organizations fairly and consistently.

Organizational structure

The memo also explains the Fraud Division's organization structure, which includes 19 separate sections and numerous leadership positions. The Division contains individual sections dedicated to each of the principal enforcement areas described above as well as numerous supporting units, including those focused on asset recovery, appellate work, fraud detection, corporate enforcement, and information technology. The Division also created the "District Fraud Counsel Section" that includes nearly 100 prosecutors dedicated to fraud matters in each U.S. Attorney's Office across the country.

Key takeaways

- **Fraud is an enforcement priority**. A standalone DOJ division dedicated exclusively to fraud – backed by hundreds of personnel, over a dozen sections, support staff, and aggressive growth plans – represents a statement of intent by the Administration. Despite some forecasting a retreat from white collar enforcement, the Fraud Division is likely to increase the number of white collar investigations, particularly for companies that interface with the government. The memo focuses primarily on fraud matters involving taxpayer funds and makes clear that the Fraud Division will now handle certain cases previously litigated by the Criminal Division's Fraud Section (along with U.S. Attorney's Offices around the country) – including healthcare fraud, procurement and government program fraud, and trade fraud and customs evasion cases. It appears that other white collar investigations will also continue, either in the Fraud Division or the Criminal Division.
- **Companies should invest in data analytics for compliance**. The memo references data analytics, data science, or technology in virtually every enforcement area and establishes a National Fraud Detection Center, suggesting that DOJ will identify cases through these efforts. This focus on data analytics suggests it may judge companies that do not do the same. Thus, companies may want to consider whether their monitoring infrastructures sufficiently leverage data analytics to detect potential misconduct.
- **Corporate crime remains a priority**. The memo devotes an explicit section to corporate misconduct and describes the creation of the Fraud Division's Corporate Enforcement Section. Within the Administration's broader enforcement posture, prosecuting fraud by corporations remains a focus. The memo simultaneously reaffirms that DOJ will reward companies that voluntarily self-disclose, cooperate, and remediate, which aligns with the DOJ-wide Corporate Enforcement and Voluntary Self-Disclosure Policy released in March 2026. For companies that discover fraud internally, the calculus continues to favor potential early disclosure, especially where DOJ has signaled it will proactively identify cases on its own.

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