DOJ's National Fraud Enforcement Division Announces Enforcement Priorities – What You Need to Know

By Ronald W. Breaux, J. Nicholas Bunch, Seth Farber, Taryn McDonald, Bill Morrison, Tim Newman, Richard Weber, Neil Issar | August 14, 2026

RELATED PRACTICES Government Contracts, Healthcare and Life Sciences, White Collar and Investigations

On Aug. 13, 2026, Assistant Attorney General Colin M. McDonald issued a memorandum outlining the enforcement priorities of the Department of Justice's ("DOJ") National Fraud Enforcement Division (the "NFED"). The memo represents the latest and most detailed articulation of how the NFED intends to deploy its resources to combat fraud nationwide. This alert summarizes the memorandum and places it in context alongside prior enforcement announcements.

I. Background

The NFED was established in April 2026 when Acting Attorney General Todd Blanche issued a memorandum directing the Criminal Division's Tax Section; Health Care Fraud Unit, and Market, Government, and Consumer Fraud Unit to be consolidated under a new division dedicated exclusively to fraud enforcement. That memorandum also directed each U.S. Attorney's Office to designate an experienced prosecutor to be detailed to the new division. Moreover, it called for the establishment of a National Fraud Detection Center to help identify fraud and generate leads for investigators and prosecutors. Those moves fulfilled President Trump's January 2026 announcement that the DOJ would create a dedicated fraud enforcement division to address the "rampant and pervasive problem of fraud" across the country.

II. Enforcement Priorities

The NFED has grown rapidly since its April formation. In the latest memorandum, McDonald states that the division will reach approximately 500 attorneys and staff by Aug. 24, 2026, with plans to "significantly increase" personnel and specialists over the next two years. McDonald also emphasizes the NFED's forward-looking approach, describing a goal of building "the most sophisticated, innovative, and data-driven white-collar law enforcement component in the world." Toward that end, McDonald identifies five priority areas for enforcement by the NFED:

1. **Public Trust and Financial Integrity.** The NFED will prioritize government procurement fraud, including defective pricing, bid rigging, self-dealing, bribery, product substitution, and billing fraud. The division will also focus on fraud impacting federal benefit and grant programs, including student loans, childcare, veterans' benefits, nutritional supplements, disaster relief, and small business programs.
2. **Health Care.** The NFED's health care fraud targets will include telemedicine fraud, Medicare and Medicaid fraud, illegal prescribing and dispensing of controlled substances like opioids, home health and hospice scams, and deceptive marketing of unsafe products. McDonald also announced an intention to "supercharge" the DOJ's Health Care Fraud Strike Force by leveraging greater resources, data analytics, and technology. We expect the NFED's criminal health care components to work together with the False Claims Act Working Group, which the

DOJ established jointly with the Department of Health and Human Services (HHS) in July 2025 to advance the departments' civil enforcement priorities.

3. **Internal Revenue.** The memorandum highlights criminal tax enforcement as "integral" to the NFED's mandate, targeting unethical return preparers, income concealment, and abusive tax scheme promoters. The division will "foster intra-division and interagency coordination" for an "all-tools response" to those types of fraud.
4. **Global Trade and Commerce.** Through the cross-agency Trade Fraud Task Force, the NFED will target illicit transshipment schemes, country-of-origin fraud, the undervaluation of imported goods designed to evade duties, sanctions evasion, and foreign forced-labor schemes. The Trade Fraud Task Force was launched in August 2025 and has already surpassed $1 billion in recoveries and charged losses. Taken together, the task force's activity and McDonald's memorandum indicate trade fraud is a durable and significant DOJ priority.
5. **Corporate Misconduct.** The NFED will hold organizations accountable while rewarding those that voluntarily self-disclose, cooperate, and remediate. This is consistent with the DOJ's existing framework for corporate self-disclosures in criminal matters, as detailed in the updated Corporate Enforcement and Voluntary Self-Disclosure Policy announced in March 2026.

McDonald's memorandum reflects both continuity with and evolution from prior enforcement announcements. Most notably, then-Criminal Division Head Matthew Galeotti issued a memorandum in May 2025 that identified the DOJ Criminal Division's 10 priority enforcement areas. They included waste, fraud, and abuse, including health care fraud and procurement fraud; trade and customs fraud, including tariff evasion; fraud perpetrated through variable interest entities (VIEs), such as market manipulation schemes; investor fraud, such as Ponzi schemes; threats to national security, including foreign bribery and money laundering; violations of the Controlled Substances Act and the Federal Food, Drug, and Cosmetic Act, particularly fentanyl-related manufacturing and opioid distribution; and digital-asset-related crimes. Galeotti's memorandum also highlighted the benefits of self-disclosure, cooperation, and remediation, which allow the DOJ to "[bring] more cases against individual wrongdoers while rewarding good corporate citizens."

The NFED's latest priorities absorb and consolidate those areas, with the core substantive priorities —government fraud, health care fraud, trade fraud, and corporate misconduct and self-disclosure— remaining largely intact. But the McDonald memorandum drops the specific emphasis on certain national security-adjacent priorities (bribery, money laundering, and VIE fraud) and digital assets, and adds a sharper focus on tax and an enforcement approach that is backed by data analytics and technology.

III. Key Takeaways

The McDonald memorandum confirms that the NFED was not created merely as a reorganization exercise but is a significant expansion of the DOJ's fraud enforcement capacity. Companies, health care providers, government contractors, importers, and tax professionals should note the following:

- The substantive enforcement priorities are largely consistent with those announced by the Criminal Division in May 2025, signaling institutional commitment rather than a shift in direction.
- The NFED's organizational consolidation and resource infusion, including the commitment of hundreds of employees and new technology, should lead to reduced red tape, faster investigations, and greater case volume. Companies should ensure their internal investigation and response protocols can keep pace.

- The DOJ is emphasizing an enforcement approach that integrates criminal, civil, and data-driven fraud detection. This may create multiple avenues of enforcement risk. In particular, it appears the NFED will be coordinating with U.S. Attorneys' Offices, the Civil and Criminal Divisions, federal law enforcement, and state and local partners. As a result, companies should anticipate parallel criminal, civil, and state proceedings and plan defense strategy accordingly from the outset.
- Companies in regulated industries should review their compliance programs with attention to the specific fraud categories identified, particularly procurement, health care, tax, and trade, and ensure they can proactively spot red flags and indicators of potential fraud.
- Companies that discover potential fraud should carefully evaluate whether voluntary self-disclosure is appropriate, as the DOJ has made it clear that self-reporting, cooperation, and remediation can result in concrete benefits, including potential declinations and reduced penalties.

Stay tuned to Haynes Boone's News page for the latest news on government enforcement actions and trends. If you have questions or need more information about any of the topics covered in the McDonald memorandum, please contact a member of Haynes Boone's White Collar and Investigations, Government Contracts, or Healthcare and Life Sciences Practice Groups.