

CLIENT ALERT

White House Announces New Fraud Division at DOJ

January 9, 2026

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Yesterday, the Administration announced the creation of a new division within the Department of Justice (the “Department” or “DOJ”) that will focus on “national fraud enforcement.”¹ The formal announcement from the White House cited ongoing prosecutions and investigations unfolding in Minnesota, where government program fraud has been the target of multiple enforcement authorities.² The implication was that the new division would bolster and

¹ Fact Sheet: President Donald J. Trump Establishes New Department of Justice Division for National Fraud Enforcement, the White House (Jan. 8, 2026), <https://www.whitehouse.gov/fact-sheets/2026/01/fact-sheet-president-donald-j-trump-establishes-new-department-of-justice-division-for-national-fraud-enforcement/> (“January 8, 2026 Fact Sheet”).

² In particular, the January 8, 2026 Fact Sheet released by the White House noted that in the Minnesota investigations to date: 98 defendants have been charged in fraud-related cases, with 64 already convicted; over 1,750 subpoenas have been issued; more than 130 search warrants have been executed; and more than 1,000 witnesses have been interviewed.

expand those efforts nationwide. In separate remarks, Vice President JD Vance noted that the new division will be “run out of the White House.”³

While many details still have not been publicly finalized, the announcement is consistent with past statements by the Department regarding government program fraud as an enforcement priority. The creation of a new, dedicated division is unusual, but fits into a broader pattern of reorganizing agencies to better align with the Administration's priorities.⁴

Current White Collar Crime Enforcement Priorities

In May 2025, the Criminal Division of the DOJ announced its “areas of focus” in prosecuting white-collar crime.⁵ Specifically, Department leadership emphasized that it will be “laser-focused on the most urgent criminal threats to the country.”⁶ Leading that list was combatting “[w]aste, fraud, and abuse, including . . . federal program and procurement fraud that harm the public fisc[.]” Consistent with that, the Corporate Whistleblower Awards Pilot Program was expanded so that whistleblowers were eligible for awards if they provided information that led to a forfeiture related to “corporate procurement fraud.” The newly confirmed Assistant Attorney General of the Criminal Division, A. Tysen Duva, is expected to continue the announced initiative.

Last year, the Department's Criminal Division also rebranded the Market Integrity and Major Frauds Unit as the Market, Government, and Consumer Fraud Unit, further emphasizing the focus on government fraud. The Unit, which is within the Fraud Section in the Criminal Division of the Department, is responsible for prosecuting “schemes to defraud government benefit programs, evade tariffs, and/or to procure government contracts through fraudulent

³ Ben Penn, New DOJ Fraud Chief Position Has Ex-Officials Questioning Motive, Bloomberg Law (Jan. 9, 2026 4:45 ET), <https://news.bloomberglaw.com/us-law-week/new-doj-fraud-chief-position-has-ex-officials-questioning-motive>. The Fact Sheet released on the White House website discussing the new division did not mention such a reporting structure. See January 8, 2026 Fact Sheet.

⁴ For example, the Department disbanded the Tax Division and moved the relevant components to sections within the Civil and Criminal Divisions. See, e.g., Erin Schilling, What's Next After Justice Department Dissolved Its Tax Division, Bloomberg Law (Dec. 1, 2025 16:23 <https://news.bloombergtax.com/daily-tax-report/whats-next-after-justice-department-dissolved-its-tax-division>). Similarly, the Civil Division of the Department created the Enforcement and Affirmative Litigation Branch in September 2025. See The Department of Justice Creates New Civil Division Enforcement & Affirmative Litigation Branch, the Department of Justice (Sept. 25, 2025), <https://www.justice.gov/opa/pr/departments-justice-creates-new-civil-division-enforcement-affirmative-litigation-branch>. And in December 2025, the Department announced the creation of the Health and Safety Unit within the Fraud Section, which is responsible for prosecuting “violations of federal laws designed to protect public health and safety.” Health & Safety Unit, Department of Justice (Dec. 2, 2025), <https://www.justice.gov/criminal/criminal-fraud/health-safety-unit>.

⁵ Focus, Fairness, and Efficiency in the Fight Against White-Collar Crime, Matthew R. Galeotti, Head of the Criminal Division, the Department of Justice (May 12, 2025), <https://www.justice.gov/criminal/media/1400046/dl?inline>.

⁶ For more information on the May 2025 memorandum, please see our prior client alert: [DOJ Announces White Collar Enforcement Priorities and Policy Revisions](#).

means,” as well as other fraud schemes.⁷ This rebranding coincided with the Unit’s absorption of a large corps of DOJ prosecutors from the Civil Division’s Consumer Protection Branch, which was dissolved at the end of September 2025. Exactly how the new division’s overlap with this existing unit will be resolved is among many details to be seen.

Crackdown on Federal Program Fraud

Yesterday’s announcement further underscores federal program and procurement fraud as a priority for the Administration. The division’s mandate encompasses both criminal *and* civil laws targeting fraud against federal government programs as well as fraud related to federal benefits and incentives for businesses, nonprofits, and citizens. The new division will focus on larger and more complex fraud schemes, overseeing “multi-district and multi-agency fraud investigations,” as well as providing “advice, assistance, and direction to the United States Attorneys’ Offices on fraud-related issues.” The division’s leadership, yet to be named, will be responsible for setting “national enforcement priorities” related to fraud and will, as needed, propose legislative and regulatory reforms to better combat fraud.

The creation of this division may result in a reorganization of existing DOJ components; prosecution of civil and criminal fraud currently reside in separate divisions. As noted above, the Criminal Division’s Fraud Section has the Market, Government, and Consumer Fraud Unit, while the Civil Division’s Commercial Litigation Branch, Fraud Section is responsible for civil efforts to combat fraud.

Realignment Ongoing

The creation of this new anti-fraud enforcement division is part of the emerging enforcement landscape that has DOJ redeploying its resources. For example, at the end of last year, the DOJ dissolved the Tax Division, with civil tax enforcement moving to a new tax litigation branch in the Civil Division, and criminal tax enforcement moving to the Tax Section in the Criminal Division.⁸ From our own ongoing work on behalf of clients, we know that reorganization did not spell the end of tax enforcement. Precisely how this new division fits into the broader enforcement effort remains to be seen, but the message to industries and companies with touchpoints involving federal programs is clear.

⁷ Market, Government, and Consumer Fraud Unit, Department of Justice, <https://www.justice.gov/criminal/criminal-fraud/mgc-unit>.

⁸ Schilling, *supra* note 4.

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