



DEPARTMENT OF JUSTICE

Office of the Attorney General

28 CFR Part 0

[Docket No. OAG207; AG Order No. 7108-2026]

Establishing the National Fraud Enforcement Division

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: This rule amends Part 0 of the Department of Justice’s (“Department”) organizational regulations in title 28 of the Code of Federal Regulations to establish the National Fraud Enforcement Division (“Fraud Division”) and set forth its authorities.

DATES: Effective August 24, 2026.

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SUPPLEMENTARY INFORMATION:

I. Background and Mission

The Department has established the Fraud Division as part of a revamped, comprehensive approach to investigating and prosecuting fraud against taxpayer dollars and taxpayer-funded programs.¹ The Fraud Division’s mission is to investigate and prosecute those who commit fraud against the American people. At the core of this mission is a mandate to zealously investigate and prosecute those who steal or fraudulently misuse taxpayer dollars. The Fraud Division fulfills its mission by using advanced, data-driven investigative techniques; coordinating with agencies responsible for administering taxpayer-funded programs; partnering

¹ See Memorandum from the Acting Attorney General, *Creation of the National Fraud Enforcement Division* (Apr. 7, 2026), <https://www.justice.gov/ag/media/1435311/dl?inline> [<https://perma.cc/DHR4-VHPP>].

with Federal, Tribal, State, territorial, and local law enforcement on fraud-fighting efforts; developing systems and processes that ensure efficient identification and investigation of fraud; and equipping prosecutors and law enforcement with state-of-the-art tools and resources needed to bring criminal actors to justice. The Fraud Division works every day to protect the financial integrity of the United States of America, ensure the vibrancy of the American economy, and seek justice for victims of fraud.

II. This Rule

Through this rule, the Attorney General delegates certain powers and authorities to the Assistant Attorney General for the Fraud Division and makes conforming amendments to the authorities previously delegated to the Assistant Attorney General for the Criminal Division (“CRM”). The rule creates a new subpart M, composed of §§ 0.70 and 0.71 and which sets forth the Fraud Division’s general functions and authorities, and makes conforming changes to CRM’s regulations at § 0.55, as discussed below.

A. Section 0.70

Section 0.70 sets forth the functions assigned to and that shall be conducted, handled, or supervised by the Assistant Attorney General for the Fraud Division. These include handling: (1) criminal proceedings involving criminal frauds except cases assigned to the Antitrust Division by § 0.40(a), *see* 28 CFR 0.70(a); (2) criminal proceedings arising under the internal revenue laws, *see* 28 CFR 0.70(b); (3) criminal proceedings relating to trade fraud matters, including the importation of goods, items, articles, merchandise, products, materials, or wares; customs duties, tariffs, or other external revenue; or foreign commerce, *see* 28 CFR 0.70(c); (4) criminal proceedings involving monies owed to or paid by the United States, *see* 28 CFR 0.70(d); (5) criminal proceedings involving fraud or abuse with respect to health plans, *see* 28 CFR 0.70(e); and (6) criminal proceedings related to health care fraud and controlled substances distribution and diversion schemes, *see* 28 CFR 0.70(f).

To ensure necessary flexibility, § 0.70 also includes two paragraphs allowing the Fraud

Division to oversee additional cases or types of cases assigned by the Attorney General or Deputy Attorney General or by agreement with the Assistant Attorney General having authority to handle such cases. *See* 28 CFR 0.70(g), (h). Similarly, paragraph (i) provides the Fraud Division authority to bring actions to seek injunctions against fraud under 18 U.S.C. 1345, obtain restitution, seize or forfeit property, recover forfeitures or damages, enforce compliance with final judgments, recover penalties, and impose penalties, including actions for the imposition of penalties for conspiring to defraud the United States, when such actions are related to proceedings identified in paragraphs (a) through (f). *See* 28 CFR 0.70(i). And paragraph (j) provides the Fraud Division authority to prosecute any Federal criminal provision when charged in criminal proceedings brought pursuant to paragraphs (a) through (f). *See* 28 CFR 0.70(j). Paragraph (k) allows FRD to investigate criminal conduct in pursuit of cases under paragraphs (a) through (f) and to prosecute any criminal charges identified as a result of such investigations whether or not such prosecutions fit within the descriptions in paragraphs (a) through (f). *See* 28 CFR 0.70(k). Finally, paragraph (l) allows the Attorney General or Deputy Attorney General to assign the Fraud Division other duties and functions. *See* 28 CFR 0.70(l).

B. Section 0.55

The Department is amending CRM's provisions in § 0.55 in three ways. First, the rule revises the paragraph generally assigning criminal fraud litigation to CRM to carve out cases involving frauds that are now specifically assigned to the Fraud Division—i.e., tax frauds and fraud with respect to health plans. *See* 28 CFR 0.55(b). Second, the rule revises CRM's authority to handle “[a]ll” criminal and civil litigation under two acts relating to controlled substances by removing the word “all”. *See* 28 CFR 0.55(c). This change will ensure that CRM does not have exclusive authority to bring charges under such provisions, such that the Fraud Division may bring such charges where authorized to do so. Third, the rule removes paragraph (w), which previously assigned to CRM all criminal proceedings arising under the internal revenue laws. *See generally* Transfer of the Functions of the Tax Division to the Civil Division

and the Criminal Division, 90 FR 57139, 57140 (Dec. 10, 2025) (assigning criminal tax prosecutions to CRM).

C. Section 0.71

The rule adds new § 0.71, which mirrors CRM’s provision at § 0.59. It allows the Assistant Attorney General of the Fraud Division (or his Deputy Assistant Attorneys General, as applicable) to exercise functions assigned to the Attorney General under 18 U.S.C. 3331 and 3503 relating to the certification of special grand juries, *see* 28 CFR 0.71(a), and certification that a legal proceeding is against a person who is believed to have participated in an organized criminal activity, for purposes of obtaining depositions to preserve testimony, *see* 28 CFR 0.71(b).

D. Other changes

This rule makes two other technical and consistency changes. First, the rule adds the “National Fraud Enforcement Division” to the table of organizational units within the Department in § 0.1. Second, the rule amends paragraph (b) of § 0.13 to allow Assistant Attorneys General to redelegate all litigating authority to Section Chiefs by removing a prohibition on redelegating authority to designate attorneys to conduct grand jury proceedings. This change allows Assistant Attorneys General greater flexibility in managing their duties and responsibilities.

II. Regulatory Requirements

A. Administrative Procedure Act

This rule is a rule of agency organization, procedure, and practice; is limited to matters of agency management and personnel; and is not a substantive rule. Therefore, this rule is exempt from the requirements of prior notice and comment and a 30-day delay in the effective date. *See* 5 U.S.C. 553(a)(2), (b)(3)(A), (d).

B. Executive Order 12866 (Regulatory Planning and Review), Executive Order 13563 (Improving Regulation and Regulatory Review), and Executive Order 14192 (Unleashing

Prosperity Through Deregulation)

This final rule is not a significant regulatory action under section 3(f) of Executive Order 12866, as supplemented by Executive Order 13563. This rule is limited to agency organization, management, and personnel as described by section 3(d)(3) of Executive Order 12866 and therefore is not a “regulation” or “rule” as defined by that Executive Order. Accordingly, this action has not been reviewed by the Office of Management and Budget. Further, as this rule relates to agency organization, management, or personnel, it is not subject to the requirements of Executive Order 14192.

C. Executive Order 14294 (Overcriminalization of Federal Regulations)

Executive Order 14294 requires agencies promulgating regulations with criminal regulatory offenses potentially subject to criminal enforcement to explicitly describe the conduct subject to criminal enforcement, the authorizing statutes, and the mens rea standard applicable to each element of those offenses. This final rule does not impose a criminal regulatory penalty and is thus exempt from Executive Order 14924’s requirements.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. 5 U.S.C. 601.

A Regulatory Flexibility Analysis is not required for this final rule because the Department is not required to publish a general notice of proposed rulemaking for this matter. 5 U.S.C. 603(a).

E. Paperwork Reduction Act

This final rule does not call for a new or revised collection of information under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–3520.

F. Executive Order 13132 (Federalism)

A rule has federalism implications under Executive Order 13132 if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. The Department has analyzed this final rule under that Executive Order and determined that this rule does not have federalism implications.

G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, requires Federal agencies to determine whether a rule, if promulgated, will result in the expenditure by State, local, or Tribal governments, in the aggregate, or by the private sector, of \$100 million (adjusted annually for inflation) or more in any one year. 2 U.S.C. 1532(a). This final rule does not require or result in expenditures by any of the above-named entities.

H. Executive Order 12988 (Civil Justice Reform), Plain Language

This final rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988.

I. Executive Order 13175 (Consultation and Coordination With Indian Tribal Governments)

This final rule does not have Tribal implications under Executive Order 13175 because it would not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

J. Congressional Review Act

This rule relates to agency management, personnel, and organization, and does not substantially affect the rights or obligations of non-agency parties. 5 U.S.C. 804(3)(B), (C). This action is accordingly not a “rule” as that term is used in the Congressional Review Act, *see* 5 U.S.C. 804(3), and the reporting requirement of 5 U.S.C. 801 does not apply.

List of Subjects in 28 CFR Part 0

Authority delegations (Government agencies), Government employees, Organization and functions (Government agencies).

Accordingly, for the reasons stated in the preamble, the Acting Attorney General is amending part 0 of 28 CFR as follows:

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

1. The authority citation for part 0 continues to read as follows:

Authority: 5 U.S.C. 301; 28 U.S.C. 509, 510, 515–519.

§ 0.1 [Amended]

2. In § 0.1, amend table 1 under heading “Divisions” by adding “National Fraud Enforcement Division” between “Environment and Natural Resources Division” and “National Security Division”.

§ 0.13 Legal proceedings.

3. Amend § 0.13 by revising paragraph (b) to read as follows:

* * * * *

(b) Each Assistant Attorney General is authorized to redelegate to Section Chiefs the authority delegated by paragraph (a) of this section.

4. Amend § 0.55 by:

- a. Revising paragraphs (b) and (c); and
- b. Removing paragraph (w).

The revision reads as follows:

§ 0.55 General Functions.

* * * * *

(b) Cases involving criminal frauds except cases involving tax frauds and cases involving fraud with respect to health plans assigned to the National Fraud Enforcement Division by § 0.70(b) and (e), and cases assigned to the Antitrust Division by § 0.40(a) involving conspiracy to defraud the United States by violation of the antitrust laws.

(c) Criminal and civil litigation under the Controlled Substances Act, 84 Stat. 1242, and the Controlled Substances Import and Export Act, 84 Stat. 1285 (titles II and III of the Comprehensive Drug Abuse Prevention and Control Act of 1970).

* * * * *

5. Add subpart M, consisting of §§ 0.70 and 0.71, to read as follows:

Subpart M—National Fraud Enforcement Division

§ 0.70 General functions.

The following functions are assigned to and shall be conducted, handled, or supervised by, the Assistant Attorney General, National Fraud Enforcement Division:

(a) Criminal proceedings involving criminal frauds except cases assigned to the Antitrust Division by § 0.40(a) involving conspiracy to defraud the United States by violation of the antitrust laws.

(b) All criminal proceedings arising under the internal revenue laws.

(c) Criminal proceedings relating to trade fraud matters, including the importation of goods, items, articles, merchandise, products, materials, or wares; customs duties, tariffs, or other external revenue; or foreign commerce.

(d) Criminal proceedings involving monies owed to or paid by the United States.

(e) Criminal proceedings involving fraud or abuse with respect to health plans.

(f) Criminal proceedings related to health care fraud and controlled substances distribution and diversion schemes.

(g) Prosecution and litigation of any case or category of cases as the Attorney General or Deputy Attorney General may assign, notwithstanding any other provision of this part.

(h) Prosecution and litigation of any case or category of cases by agreement with the Assistant Attorney General having authority to handle such cases under this part, notwithstanding any other provision of this part.

(i) Actions to seek injunctions against fraud under 18 U.S.C. 1345, obtain restitution,

seize or forfeit property, recover forfeitures or damages, enforce compliance with final judgments, to recover penalties, and impose penalties, including actions for the imposition of penalties for conspiring to defraud the United States, when related to proceedings identified in paragraphs (a) through (f) of this section.

(j) Prosecution of any Federal criminal provision when charged in criminal proceedings brought pursuant to paragraphs (a) through (f) of this section.

(k) Investigations and inquiries into criminal conduct in pursuit of cases under paragraphs (a) through (f) of this section, and prosecution of any criminal offenses identified during such investigations and inquiries whether or not such prosecution is described in paragraphs (a) through (f) of this section.

(l) Such other duties and functions as may be specially assigned by the Attorney General and the Deputy Attorney General, notwithstanding any other provision of this part.

§ 0.71 Certain certifications under 18 U.S.C. 3331 and 3503.

(a) The Assistant Attorney General in charge of the National Fraud Enforcement Division is authorized to exercise or perform the functions or duties conferred upon the Attorney General by section 3331 of title 18, United States Code, to certify that in his judgment a special grand jury is necessary in any judicial district of the United States because of criminal activity within such district.

(b) The Assistant Attorney General in charge of the National Fraud Enforcement Division and his Deputy Assistant Attorneys General are each authorized to exercise or perform the functions or duties conferred upon the Attorney General by section 3503 of title 18, United States Code, to certify that the legal proceeding, in which a motion to take testimony by deposition is made, is against a person who is believed to have participated in an organized criminal activity, where the subject matter of the case or proceeding in which the motion is sought is within the cognizance of the National Fraud Enforcement Division pursuant to § 0.70, or is not within the cognizance of the Civil Rights Division.

Dated: August 13, 2026.

Todd Blanche,

Acting Attorney General.

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