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White Collar Defense and Investigations

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DOJ Fraud Division Rolls Out New Corporate Enforcement Framework

Executive Summary

- **What's new:** On October 1, 2026, the DOJ's National Fraud Enforcement Division issued a directive on corporate enforcement of fraud schemes that provides insight into its priorities and calls for an aggressive, all-tools approach.
- **Why it matters:** Enforcement priorities include fraud schemes involving the health care industry; government contracts; significant evasion of internal or external revenue; and tariff evasion, importation of goods or services, or forced labor.
- **What to do next:** Companies should consider pressure-testing compliance programs and internal controls, particularly in the priority areas. If misconduct is identified, they should consider promptly assessing whether to self-disclose, cooperate and remediate.

On October 1, 2026, Assistant Attorney General Colin McDonald of the Department of Justice's (DOJ's) National Fraud Enforcement Division (the Division) issued Directive 26-12, "Corporate Enforcement in the Fight Against Fraud" (the Memorandum).

The Memorandum provides insight into the Division's enforcement priorities and calls for an aggressive, all-tools approach to addressing criminal activity touching on those priorities.

Division priorities include fraud schemes involving:

- The health care industry, including health care fraud, distribution of controlled substances and violations of the Federal Food, Drug and Cosmetic Act.
- The public trust or financial integrity of Americans and markets related to procurement, government contracts and other government functions.
- Significant evasion of internal or external revenue.
- Tariff evasion, importation of goods or services, or forced labor.

The Memorandum directs prosecutors to follow the DOJ's Principles of Federal Prosecution of Business Organizations and Corporate Enforcement and Voluntary Self-Disclosure Policy.

Additionally, it directs prosecutors making charging decisions to give particular weight to:

- Management involvement in misconduct.
- Efforts to conceal conduct or obstruct oversight.
- Schemes lasting three years or more.

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- Threats to U.S. public safety or military readiness.
- Financial harm to taxpayer-funded programs or government functions.
- Impact in three or more federal districts.
- Harm to at least 25 victims or losses of at least $25 million.
- U.S. funds sent to foreign adversaries.
- Immigration offenses.

The Memorandum directs Division leadership to work with law enforcement partners to develop programs to encourage and protect whistleblowers, including individuals and companies that participated in the misconduct, and to provide transparency about those programs where possible.

Companies should consider pressure-testing compliance programs and internal controls, particularly in the priority areas above. If misconduct is identified, companies should consider promptly assessing whether to self-disclose, cooperate and remediate.

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