

Data Reveals Pivot In Feds' Financial Fraud Priorities

By **Paul Hinton and Adrienna Huffman** (June 25, 2026)

The U.S. Department of Justice's decision last month to return market integrity and consumer fraud prosecutors to the Criminal Division's Fraud Section[1] — shortly after transferring them to the newly created National Fraud Enforcement Division — is the latest development in a broader reshaping of federal fraud enforcement.[2]

Prosecution data from the DOJ Criminal Division's Fraud Section and the U.S. Attorney's Office for the Southern District of New York suggest that this restructuring reflects a longer-term shift in enforcement priorities.

Traditional financial fraud prosecutions — including securities and commodities fraud, banking fraud and illicit finance, corruption and Foreign Corrupt Practices Act matters, and cryptocurrency-related fraud — have declined steadily, while healthcare fraud, government program fraud, investor and consumer victimization, and conduct linked to economic and national security have become more prominent.[3]

This article examines how those trends align with recent DOJ policy and organizational changes.[4] By combining DOJ Fraud Section and Southern District of New York prosecution data, we attempt to provide a broader view of federal fraud enforcement activity than the DOJ Fraud Section's annual year-in-review reports alone.

A Low in Traditional Financial Fraud Prosecutions

Our analysis of Fraud Section and Southern District of New York prosecutions from 2016 through 2025 shows a clear pullback in traditional financial fraud enforcement. Prosecutions fell to 51 cases in 2025 — well below the 10-year average of 73 and the lowest annual total in the period analyzed.



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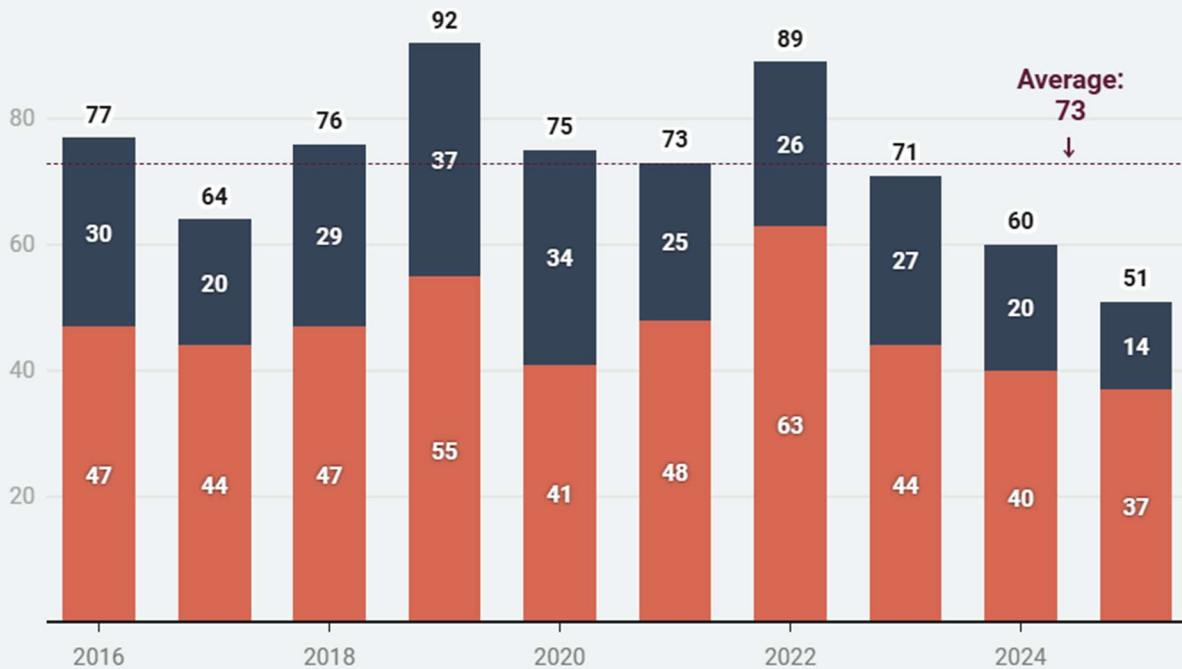


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FIGURE 1

Count of Prosecuted Financial Fraud Cases, 2016–2025

DOJ SDNY



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The decline does not appear merely cyclical. Case volumes have fallen for three consecutive years since peaking in 2022.

Although white collar enforcement naturally fluctuates, the duration and breadth of the drop suggest a more durable shift in enforcement priorities. The decline was broad, though uneven across categories.

Investment fraud remained relatively stable and rebounded modestly in 2025.

But most other traditional enforcement areas moved in the opposite direction. Securities and commodities fraud prosecutions fell substantially from their 2022 peak, banking fraud and illicit finance prosecutions reached decade lows, corruption and FCPA matters dropped sharply, and cryptocurrency-related prosecutions retreated after their 2022 surge.

FIGURE 2

Count of DOJ and SDNY Prosecuted Cases by Financial Fraud

■ Cryptocurrency and digital asset fraud
 ■ Corruption
 ■ Banking fraud and illicit finance
 ■ Securities and commodities fraud
 ■ Investment fraud

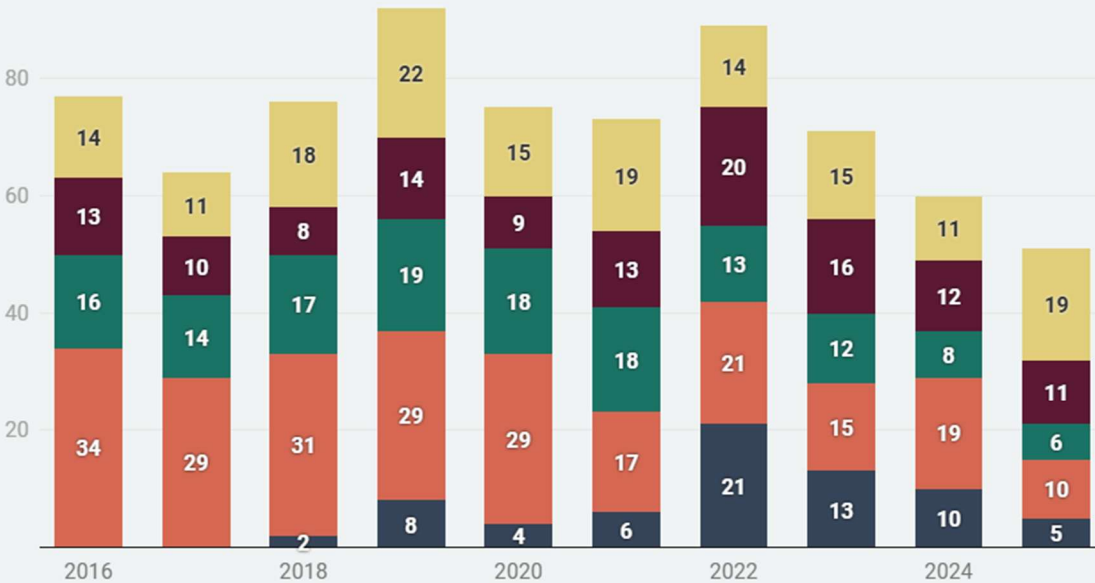


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Taken together, the data point to more than a temporary slowdown or a reset from one unusually active year. They suggest a broad-based reduction in traditional market-focused financial fraud enforcement.

Policy and Staffing Changes Help Explain Shifts

The decline in traditional financial fraud prosecutions coincided with a series of policy, organizational and resource-allocation changes within the DOJ that reshaped how federal fraud enforcement is structured and prioritized.

Among the most consequential was the 2025 reorganization of the Fraud Section. The DOJ dissolved the Consumer Protection Branch within the Civil Division and reassigned many of its prosecutors to the Criminal Division's newly renamed Market, Government and Consumer Fraud, or MGC, Unit,^[6] while creating a new Health and Safety Unit focused on food, drug and product safety matters.^[7]

Although the Fraud Section's attorney headcount grew to 200 lawyers, the increase did not translate into more resources for traditional financial fraud enforcement.

Within the newly expanded MGC unit, prosecutorial capacity focused on market-based financial fraud fell by roughly one-third relative to prior years, reflecting a shift in how enforcement resources were deployed.[8]

The department also reoriented investigative support. FBI resources were directed away from certain white collar investigations — including through the dismantling of a public corruption squad — and toward immigration and priorities related to national security.[9]

At the same time, the DOJ's organizational structure remained unsettled. Recent reports that DOJ leadership has returned market integrity and consumer fraud prosecutors to the Fraud Section, just months after moving them elsewhere, underscore the fluid nature of the current enforcement landscape.

The DOJ's "America First" Framework

The DOJ's shifting enforcement priorities were made explicit in a May 2025 memorandum from then-Criminal Division Head Matthew Galeotti.[10] The memo identified what it referred to as several "high-impact areas" for criminal enforcement, including healthcare fraud, government procurement fraud, investor and consumer victimization, sanctions and trade-related misconduct, threats to U.S. economic and national security interests, and offenses related to digital assets.

Collectively, these priorities reflect what DOJ officials have described as an "America First" approach to enforcement.[11] We use that term as shorthand for the priorities outlined in the Galeotti memo.

The prosecution data mirror that shift. In 2025, traditional financial fraud prosecutions accounted for roughly 64% of Fraud Section cases, excluding healthcare — the lowest share in the past decade.

Government program fraud and investor-consumer victimization emerged as the largest America First categories, while trade, tariffs, economic security and controlled-substance matters represented a growing share of enforcement activity.

FIGURE 3

DOJ Fraud Section 'America First' Cases

Traditional financial fraud Other America First

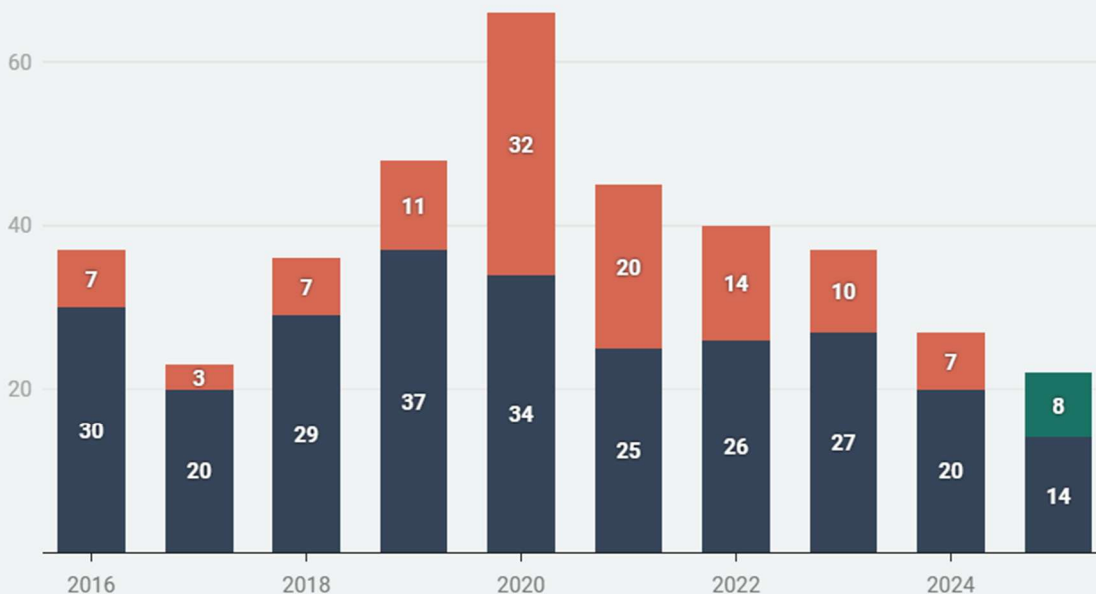


Chart: Jason Mallory • Created with [Datawrapper](#)

As a note, in the above graphic, the traditional financial fraud category includes DOJ Criminal Fraud Section cases handled by the FCPA and MGC units (formerly the Market Integrity and Major Frauds or Securities and Financial Fraud Units) from 2016 to 2025.

In 2025, all traditional financial fraud cases fall within the DOJ's America First enforcement priorities, though additional nonfinancial fraud America First cases are shown separately. The "Other" category includes Fraud Section cases that do not qualify as traditional financial fraud and predate the introduction of the America First priorities.

Conclusion

Data from the DOJ Fraud Section and Southern District of New York prosecutions points to a clear realignment in federal fraud enforcement. Traditional market-focused cases have declined, while DOJ policy and resources increasingly emphasize government program fraud, consumer and investor harm, economic security, sanctions, and trade-related misconduct.

This does not signal the end of white collar enforcement. Rather, it reflects a more targeted

enforcement model organized around the DOJ's stated high-impact areas.

The central question going forward is not whether enforcement will remain active, but where federal prosecutors will focus their attention.

If current trends persist, companies should expect continued scrutiny in areas that align with the DOJ's broader economic and national security objectives.

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Disclosure: The DOJ and Southern District of New York have been clients of the authors in matters during the period covered in the dataset. The analysis is based solely on public information.

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[1] Ben Penn, "DOJ Restores Financial Crime Team in Latest Fraud Office Shakeup," Bloomberg Law (May 28, 2026), https://news.bloomberglaw.com/us-law-week/doj-restores-financial-crime-team-in-latest-fraud-office-shakeup?utm_source=securitiesdocket.beehiiv.com&utm_medium=newsletter&utm_campaign=doj-restores-white-collar-crime-unit-in-fraud-section-of-criminal-division&_bhlid=76f5b05cf5fee7c80e640db7e150c23b00602400.

[2] U.S. Department of Justice, "Acting Attorney General Todd Blanche Issues Memorandum on the Creation of the National Fraud Enforcement Division, Press Release, (Apr. 7, 2026), <https://www.justice.gov/opa/pr/acting-attorney-general-todd-blanche-issues-memorandum-creation-national-fraud-enforcement>.

[3] For purposes of this article, traditional financial fraud refers to cases handled by the DOJ Fraud Section's FCPA Unit and Market, Government, and Consumer Fraud Unit (formerly the Market Integrity and Major Frauds Unit), as well as comparable Southern District of New York matters.

[4] The analysis discussed in this article is drawn from the authors' report, Trends in White-Collar Crime 2025: Criminal Financial Fraud Prosecuted by the DOJ Fraud Section & Southern District of New York (The Brattle Group, May 2026). The report's analysis is based on a dataset of prosecuted financial fraud matters from 2016 through 2025 compiled from public DOJ Criminal Fraud Section and Southern District of New York sources, including

press releases, case listings, related enforcement materials and, where necessary, criminal docket filings. The dataset counts prosecuted incidents rather than individual filings, consolidating related announcements in the same matter, and focuses on market- and institution-related financial fraud while excluding healthcare fraud, government program fraud, cybercrime, and other nonfinancial fraud categories from the primary dataset.

[5] Healthcare-related cases fall outside our definition of white-collar crime arising from financial fraud and so are not included in this analysis.

[6] U.S. Department of Justice, Criminal Division, Fraud Section, Fraud Section Year in Review 2025, p. 55, <https://www.justice.gov/criminal/media/1425226/dl>.

[7] *Id.*, p. 39.

[8] Per the DOJ's Year in Review 2025 report, the MGC Unit was composed of approximately 55 attorneys in 2025, including 25 consumer fraud prosecutors transferred from the Consumer Protection Branch. The authors estimate traditional financial fraud capacity by excluding those 25 transferred consumer fraud prosecutors, yielding approximately 30 attorneys focused on traditional market-based financial fraud, compared with 45 prosecutors in the predecessor Market Integrity and Major Frauds Unit in prior years. See, Fraud Section Year in Review 2025, pp. 44 and 55.

[9] Sarah N. Lynch, "FBI ordered to prioritize immigration, as DOJ scales back white-collar cases," Reuters (May 12, 2025), <https://www.reuters.com/world/us/fbi-ordered-prioritize-immigration-cases-over-white-collar-crime-people-familiar-2025-05-12>. See also: Adam Goldman, Glenn Thrush, and Devlin Barrett, "F.B.I. Dismantles Elite Public Corruption Squad," The New York Times (May 15, 2025), <https://www.nytimes.com/2025/05/15/us/politics/fbi-public-corruption-squad-trump.html>.

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

[11] The term "America First" derives from a June 9, 2025, memo from U.S. DOJ Deputy Attorney General Todd Blanche to the head of the DOJ's Criminal Division announcing the resumption of FCPA investigations, with enforcement centered on limiting undue burdens on American companies operating abroad and addressing conduct that directly undermines US national interests. See US DOJ, Office of Deputy Attorney General, Memo for Head of the Criminal Division (June 9, 2025), <https://www.justice.gov/dag/media/1403031/dl>.