

# United States Senate

WASHINGTON, DC 20510

February 20, 2026

The Honorable Pam Bondi  
Attorney General  
U.S. Department of Justice  
950 Pennsylvania Avenue NW  
Washington, D.C. 20530

Dear Attorney General Bondi:

We write to you regarding the Department of Justice's (DOJ) proposal to create a "National Fraud Enforcement (NFE) Division" as a new DOJ component led by an Assistant Attorney General (AAG) appointed by the President with advice and consent of the Senate.

The decision to create a new Fraud division is puzzling because since January 20, 2025, this Administration has dismantled or undermined many of the DOJ components responsible for rooting out waste, fraud, and abuse of federal programs or for policing scams and financial crimes that cheat consumers, investors, or the government out of their money. In April 2025, DOJ disbanded the National Cryptocurrency Enforcement Team,<sup>1</sup> which was tasked with prosecuting schemes which use cryptocurrency to facilitate financial crimes such as money laundering.<sup>2</sup> In September, the Administration disbanded the DOJ Consumer Protection Branch, which had consisted of more than 100 attorneys tasked with enforcing federal laws that prohibit fraudulent, unfair, or deceptive business practices, or which protect consumers' health and safety.<sup>3</sup> The Administration also dissolved the DOJ Tax Division, which for nearly a century was responsible for centralized enforcement of tax evasion and fraud, and which regularly recovered two to three times its annual budget.<sup>4</sup> The Administration also has gutted and sidelined the DOJ Public Integrity Section, which is responsible for prosecuting crimes involving government corruption. By September 2025, the Section had been reduced from 36 to just two full-time attorneys since the beginning of the second Trump Administration.<sup>5</sup> In addition, in his first month after taking office, President Trump illegally fired 19 independent inspectors general, who are responsible for investigating and reporting on waste, fraud, and inefficiency in programs administered by their respective agencies.<sup>6</sup>

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<sup>1</sup> Memorandum from the Dep. Att'y Gen. to All Dep't Employees (Apr. 7, 2025), available at <https://www.justice.gov/dag/media/1395781/dl?inline>.

<sup>2</sup> Sarah N. Lynch & Chris Prentice, *US Justice Dept disbands crypto enforcement team, citing Trump order*, REUTERS (Apr. 8, 2025), <https://www.reuters.com/world/us/us-justice-dept-disbands-cryptocurrency-enforcement-unit-2025-04-08/>.

<sup>3</sup> Sarah N. Lynch, *US Justice Department unit for drug and food safety cases being disbanded*, REUTERS (Apr. 25, 2025), <https://www.reuters.com/business/healthcare-pharmaceuticals/us-justice-department-unit-drug-food-safety-cases-being-disbanded-2025-04-25/>.

<sup>4</sup> David Hubbert, *What to Watch for in the Wake of the Tax Division's Demise*, BLOOMBERG (Oct. 24, 2025), <https://news.bloombergtax.com/tax-management-memo/what-to-watch-for-in-the-wake-of-the-tax-divisions-demise>.

<sup>5</sup> Jose Pagliery, *The Justice Department Had 36 Lawyers Fighting Corruption Full-Time. Under Trump, It's Down to Two*, NOTUS (Sep. 22, 2025), <https://www.notus.org/courts/doj-public-integrity>.

<sup>6</sup> S. COMM. ON HOMELAND SEC. & GOV'T AFFAIRS, STAFF OF RANKING MEMBER GARY PETERS, 119TH CONG., REP. ON UNDERMINING THE WATCHDOGS: THE 19 INDEPENDENT INSPECTORS GENERAL FIRED BY PRESIDENT TRUMP UNCOVERED BILLIONS IN FRAUD, WASTE, AND ABUSE (May 2025), <https://www.hsgac.senate.gov/wp->

On January 14, Senator Durbin's office contacted the DOJ Office of Legislative Affairs seeking information and a briefing about this Division. On January 16, DOJ sent a Section 505 notification to the House and Senate Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies (CJS) regarding the proposed reorganization to establish a new Fraud Enforcement Division. Senate CJS minority staff requested a briefing on the new Division on January 23. Our requests for briefings, from both the authorizing and appropriating committees for DOJ, have gone unanswered for weeks.

Nevertheless, on January 28, President Trump announced that he was nominating Colin McDonald to serve in the newly created position of AAG for National Fraud Enforcement. Before the Senate Judiciary Committee can consider Mr. McDonald's nomination, and before the Senate Appropriations Committee can consider how this proposed Division will impact DOJ funding, we need additional details about the new Division's structure and operations and enforcement priorities, among other issues. We ask you to respond to the following questions as soon as possible but no later than February 27, 2026.

1. How many attorneys will be assigned to the National Fraud Enforcement Division? From which DOJ offices or sections will they be reassigned?
2. Which building(s) will house the offices of the National Fraud Enforcement Division?
3. The Section 505 notification states DOJ will provide the new Division "with personnel and funding from within the Department's existing resources." Which existing resources does DOJ plan to use to fund this new Division, especially after funding was reduced in fiscal year 2026 for DOJ's General Legal Activities salaries and expenses account? What will be the total cost of the Division for the remainder of fiscal year 2026? In what ways do you anticipate those costs changing in fiscal year 2027?
4. Will the new AAG and the Division's staff be required to adhere to the Justice Manual, including the various sections requiring prior approval before opening politically sensitive investigations or taking particular investigative steps (e.g., JM § 9-86.100 et seq. and JM § 9-2.112)?
5. What will be the relationship and division of enforcement responsibilities between the NFE Division and the existing Fraud Sections in the Criminal and Civil Divisions? Will the existing Fraud Sections be disbanded or merged into the new Division?
6. What memorandums of understanding, or other agreements, exist which delineate the division of enforcement responsibilities between the NFE Division and other elements of the federal government responsible for policing fraud, including Offices of Inspectors General, other DOJ sections and divisions, U.S. Attorneys' Offices, the Federal Trade Commission, the Consumer Financial Protection Bureau, and the Internal Revenue Service?

7. Will the NFE Division be limited to prosecuting fraud in federal government spending programs, or will it also be tasked with policing tax fraud, securities fraud, fraudulent business practices, and scams that target consumers?
8. At a January 8 news conference, Vice President Vance insisted that the AAG for the NFE Division would be “run out of the White House.”<sup>7</sup> In contrast, an organization chart provided to the House Committee on Appropriations shows that the AAG will report directly to Deputy Attorney General Todd Blanche.<sup>8</sup> More recently, it has been reported that the NFE Division will be part of a newly created anti-fraud task force which will be chaired by Vice President Vance and co-chaired by Federal Trade Commission Chair Andrew Ferguson.<sup>9</sup> Will Vice President Vance, FTC Chair Ferguson, or any other Administration official outside of DOJ have any oversight, direction, or control over the National Fraud Enforcement Division? If so, please detail the extent of such oversight, direction, or control.

Sincerely,



Richard J. Durbin  
Ranking Member  
Senate Judiciary  
Committee



Chris Van Hollen  
Ranking Member  
Senate Appropriations  
Subcommittee on Commerce,  
Justice, Science,  
and Related Agencies

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<sup>7</sup> Alan Feuer, *Vance Announces New Justice Dept. Fraud Post to Be ‘Run Out of the White House,’* N.Y. TIMES (Jan. 8, 2026), <https://www.nytimes.com/2026/01/08/us/jd-vance-justice-dept-fraud-post.html>.

<sup>8</sup> Benjamin S. Weiss, *Trump’s ‘fraud enforcement’ assistant AG nom will get public hearing in Senate Judiciary,* COURTHOUSE NEWS (Jan. 29, 2026), <http://courthousenews.com/trumps-fraud-enforcement-assistant-ag-nom-will-get-public-hearing-in-senate-judiciary/>.

<sup>9</sup> Jennifer Jacobs, Olivia Rinaldi & Sarah N. Lynch, *Trump anti-fraud task force targeting California and more states to be led by JD Vance, sources say,* CBS NEWS (Feb. 4, 2026), <https://www.cbsnews.com/news/trump-anti-fraud-task-force-targeting-california-jd-vance/>.