



May 19, 2026

# Executive Order 14395, “Establishing the Task Force to Eliminate Fraud”

## Background

Fraud, the act of obtaining something of value through willful misrepresentation, is a growing concern for the federal government. According to the U.S. Sentencing Commission, convictions for government benefits fraud increased 242% between 2020 and 2024. During the pandemic, criminal organizations and individual actors fraudulently obtained hundreds of billions of dollars from programs intended to assist American businesses and people, including more than \$100 billion from the Unemployment Insurance program. Nearly 50 individuals have been convicted of fraudulently obtaining nearly \$250 million in funds from one pandemic assistance program, the Federal Child Nutrition Program. Similarly, in 2025, more than 320 doctors, nurses, and pharmacists were arrested across the nation for schemes to defraud Medicare and other federal assistance programs out of an estimated \$14.6 billion. The Government Accountability Office estimates that federal agencies lose between \$233 and \$521 billion annually to fraud.

On March 16, 2026, President Trump signed Executive Order (E.O.) 14395, “Establishing the Task Force to Eliminate Fraud.” Section 1 of E.O. 14395 alleges that “loopholes” at the state level have created the conditions for fraud in federal benefit programs, such as allowing applicants to self-certify information, failing to verify applicants’ eligibility, and “refus[ing]” to implement adequate fraud controls, among other things.

To address these issues, E.O. 14395 establishes a multi-agency task force to develop “a comprehensive national strategy to stop fraud, waste, and abuse within Federal benefit programs, including programs administered jointly with State, local, tribal, and territorial partners.”

## Composition of Task Force

Section 2 of E.O. 14395 identifies three leadership positions at the task force and who shall fill them. The Vice President of the United States is to serve as chairman; the Chairman of the Federal Trade Commission is to serve as vice chairman; and the Assistant to the President for Homeland Security is to serve as senior advisor. Ultimately, the task force is “subject to the President’s direct supervision and control.”

In addition, E.O. 14395 requires the task force to include, at a minimum, representatives from the Department of Agriculture, Department of Education, Department of Health and Human Services, Department of Homeland Security, Department of Housing and Urban Development, Department of Justice, Department of Labor, Office of Management and Budget, Small Business Administration,

Department of the Treasury, and Department of Veterans Affairs. As chairman, the Vice President is authorized to add other agencies, inspectors general, or components of agencies.

While the Homeland Security Council is not an official member, E.O. 14395 requires the task force to coordinate with the council on matters of law enforcement, transnational crime, public safety, national security, and organized criminal activity.

## Priorities and Operation

As noted, the primary purpose of the task force is to develop a coordinated national strategy for eliminating fraud, waste, and abuse in federal benefits programs. To that end, Section 3 lists nine priorities to guide the group’s work:

1. “Develop measures to improve eligibility verification processes in federal benefits programs and maximize [their] enforcement.”
2. Develop pre-payment controls, including the ability to determine when ongoing or potential fraud might “require proactively pausing” funding until effective controls are implemented.
3. “Evaluate indicators of fraud and high-risk vulnerabilities to fraud,” potentially by hiring third-party contractors.
4. Promote information and data sharing between the federal government and state, local, tribal, and territorial governments; benefit-providing agencies; and law enforcement agencies.
5. “Disrupt and dismantle fraud networks and facilitators ... through interagency information sharing.”
6. “Investigate and disrupt the mechanisms through which fraud is committed,” including mechanisms facilitated by government officials.
7. “Prevent remittance transfers that involve the proceeds of Federal benefits fraud.”
8. “Audit and ensure prospective compliance monitoring” for identifying fraud.
9. Analyze information from providers or retailers that redeem benefits to identify fraud and develop policies for

revalidation or reauthorization to deter fraud.

Members of the task force are required to share information concerning programs that the task force deems relevant, consistent with applicable laws.

## Improved Controls and Fraud-Prevention Measures

Section 4 requires each agency on the task force to submit to the chairman and vice chairman, within 30 days from the date of E.O. 14395, a report on the agency’s transactions and payment processes that are most susceptible to fraud schemes. Among the transactions and processes that agencies may examine, Section 4 lists new enrollments, redeterminations, provider enrollments, eligibility self-attestation procedures, changes to payment destinations, or transactions involving third-party intermediaries. The report is to include suggested policies for reducing the risk of fraud.

Within 60 days from the date of E.O. 14395, the task force shall coordinate member agency efforts to adopt minimum anti-fraud requirements for the transactions and processes that agencies reported as susceptible to fraud.

If a transaction or process is administered by a state, local, tribal, or territorial jurisdiction, then the task force must discuss how these jurisdictions may demonstrate implementation of anti-fraud requirements. As part of this discussion, the task force is required to examine and recommend ways that federal funds may be withheld from jurisdictions that do not have adequate anti-fraud requirements, potentially including

- “screening, proof of identity, and eligibility verification”;
- “pre-payment integrity and risk controls,” including documentation of services provided;
- data sharing, “updated criteria, minimum integrity checks, cross-program risk indicators, and coordinated recovery and enforcement pathways to prevent immigration sponsor and beneficiary and household-related” fraud;
- “appropriate use of providers, vendors, contractors, nonprofit organizations, intermediaries, and service organizations; and”
- “audit and remedial measures, including suspension, termination, repayment, exclusion, and debarment actions.”

Within 90 days from the date of E.O. 14395, each member of the task force is required to submit to the chairman and vice chairman a plan to implement the anti-fraud controls and measures developed.

## Related Anti-Fraud Initiatives

E.O. 14395 is one of several actions the Trump Administration has taken in 2026 on fraud. Among the others, two are particularly relevant. On January 8, 2026,

the White House announced a new National Fraud Enforcement Division (NFED) within the Department of Justice. The new division is to enforce federal criminal and civil laws against fraudsters targeting federal government programs, federally funded benefits, businesses, nonprofits, and private citizens nationwide. In particular, the NFED is charged with overseeing multi-district and multi-agency fraud investigations and working with other departments to dismantle organized fraud schemes that cross jurisdictions.

On March 6, 2026, the President signed E.O. 14390, “Combating Cybercrime, Fraud, and Predatory Schemes Against American Citizens.” E.O. 14390 focuses on fraud and cyber-enabled crime carried out by transnational criminal organizations (TCOs). It requires the Secretary of State to demand that foreign governments take action against TCOs operating within their borders and to penalize nations that do not do so, including through the imposition of trade sanctions, visa restrictions, and the expulsion of foreign officials who are “complicit in these schemes.”

## Congressional Considerations

E.O. 14395 seeks to address some well-known fraud vulnerabilities in federal benefits programs. The emphasis on strengthening pre-payment controls, including eligibility verification, might lead to actions that reduce future fraud losses. Weak pre-payment controls, notably the use of self-attestation when applying for benefits, directly contributed to the billions in federal funds lost to fraudsters during the pandemic. Similarly, some states have not consistently verified the eligibility of applicants prior to approving them for assistance from federally funded programs, so working with states to improve their pre-payment controls might also reduce the risk of fraud.

In addition, the task force may be supported by both the enhanced investigatory and prosecutorial resources of the newly established NEFD and the diplomatic tools the Department of State may bring to bear on foreign governments with TCOs operating within their borders.

It is not clear how effective the task force might be at accomplishing other objectives. E.O. 14395 calls for the task force to improve data sharing among jurisdictions, but that may be subject to whether Congress provides statutory authority to do so, at least for certain programs. Even improving federal and state agencies’ access to Treasury’s Do Not Pay system to screen applicants’ eligibility is a complex process that may not yield the results that some proponents anticipate.

It is also not clear how effective the task force may be in getting state, local, tribal, and territorial governments to enhance their internal controls. Some may argue, for example, that they do not have the funds needed to upgrade their financial or payment systems to accommodate new controls. The extent to which agencies may pause funding due to perceived fraud risks is also unclear, and attempts to withhold appropriated funds that have been awarded to jurisdictions may be met with legal challenges.

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**Garrett Hatch**, Specialist in American National Government

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