



White-Collar Crime Prosecutions for 2021 Continue Long Term Decline

The latest available data from the Justice Department show that during the first nine months of FY 2021 the government reported 3,545 new white-collar crime prosecutions. If this activity continues at the same pace, the annual total of prosecutions will be 4,727 for this fiscal year. According to the case-by-case information analyzed by the Transactional Records Access Clearinghouse (TRAC) at Syracuse University, this estimate is up 11 percent over the past fiscal year when the pandemic temporarily depressed prosecution levels. But compared to longer term trends, white-collar prosecutions appear to have continued their downward decline. See Table 1 and Figure 1.

Table 1. Criminal White-Collar Crime Prosecutions

Number Year-to-date	3545
Percent Change from previous year	11
Percent Change from 5 years ago	-24.4
Percent Change from 10 years ago	-53.5
Percent Change from 20 years ago	-50.3

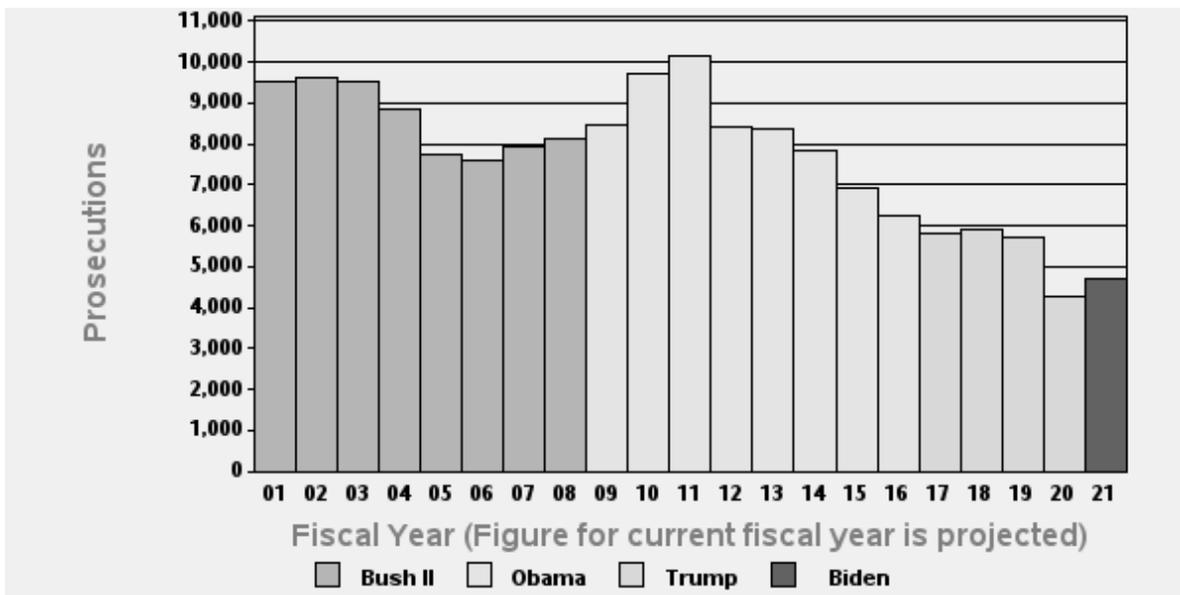


Figure 1. Criminal White Collar Crime Prosecutions over the last 20 years
(Click for larger image).

Compared to five years ago when there were 6,253, the estimate of FY 2021 prosecutions are down 24.4 percent. Prosecutions over the past year are lower than they were ten years ago. Overall, the data show that prosecutions of this type are down 53.5 percent from the level of 10,162 reported in 2011 and down 50.3 percent from the level of 9,507 reported in 2001. See [TRAC's March 2020 report](#) detailing earlier declining corporate and white-collar prosecutions.

The long-term trend in white-collar crime prosecutions for these matters going back to FY 2001 is shown more clearly in Figure 1. The vertical bars in Figure 1 represent the number of white-collar crime prosecutions recorded each fiscal year. Projected figures for the current fiscal year are shown. Each presidential administration is distinguished by the color of the bars.

The comparisons of the number of defendants charged with white-collar crime offenses are based on case-by-case government records analyzed and obtained by TRAC under the Freedom of Information Act (FOIA) after lengthy successful litigation filed against the U.S. Department of Justice.

Within the broad category of white-collar crime, cases were classified by prosecutors into more than 20 specific types of fraud. Those with more than 100 prosecutions by specific fraud types covered computers (165), consumers (126), federal programs (464), financial institutions (365), health care (394), identity theft (375), tax (308), and other business frauds (163).

Leading Investigative Agencies

In over a third (35.4%) of these prosecutions thus far during FY 2021 the lead investigative agency was the Federal Bureau of Investigation. Other lead investigative agencies among the top five were the Internal Revenue Service (13.1%), the Postal Service (10.3%), the Secret Service (8.2%), and Health and Human Services (5.4%).

The declining number of white-collar prosecutions can be attributed in part to both the lower number as well as the declining percentage of prosecutions in which the FBI played the lead role. As shown in Figure 2, more than half of white-collar investigations that led to prosecutions before the attacks that took place on 9/11/2001 were led by the FBI. As FBI refocused more of its efforts on combatting terrorism, the FBI's role has diminished. And even more recently, all other agencies also contributed fewer cases so although the number of FBI-lead investigations continued to fall the percentage this represented has begun to rise. See Figure 2.

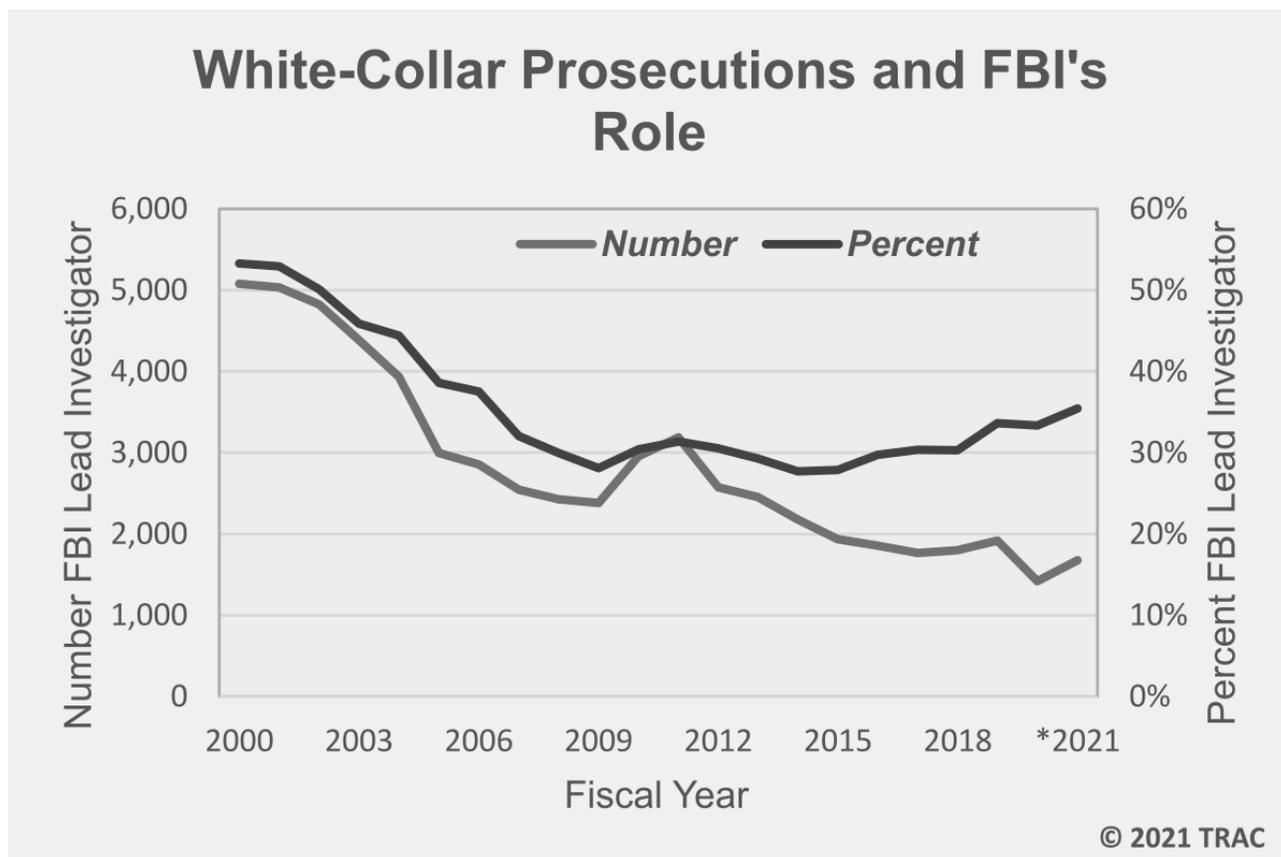


Figure 2. Federal Bureau of Investigations and White-Collar Crime Prosecutions
 FY 1986 - FY 2021 (through June)
 (Click for larger image)

Top Ranked Lead Charges

The lead charge in most white-collar prosecutions often feature the method or means, rather than a specific type of fraud. In recent years, fraud by wire, radio or television have predominated. Bank and mail fraud are also high in the ranks. But two areas that single out the "subject" of the frauds also made the top ten. These are health care fraud (18 USC 1347) and

tax frauds under Title 26. Table 2 shows the top lead charges recorded in the prosecutions of white-collar crime matters filed in U.S. District Court during the first nine months of FY 2021.

Table 2. Top charges filed

Charge	Count	Rank	1 yr ago	5 yrs ago	10 yrs ago	20 yrs ago
18 USC 1343 - Fraud by wire, radio, or television	790	1	1	1	3	5
18 USC 1344 - Bank Fraud	325	2	2	3	2	1
18 USC 1349 - Mail Fraud - Attempt and Conspiracy	313	3	3	6	5	-
18 USC 1347 - Health Care Fraud	208	4	5	9	10	7
18 USC 371 - Conspiracy to commit offense or to defraud US	200	5	4	5	6	3
18 USC 641 - Public money, property or records	159	6	6	4	7	10
18 USC 1341 - Mail Fraud - Frauds and swindles	157	7	7	7	4	2
18 USC 1028 - Fraud and related activity - id documents	150	8	11	8	9	14
26 USC 7201 - Attempt to evade or defeat tax	110	10	13	12	12	12
26 USC 7206 - Fraud and False statements	110	10	10	11	11	8

Again among the top ten lead charges, the one showing the sharpest projected decline in prosecutions compared to one year ago—down -1.6 percent—was fraud and false statements in tax matters (Title 26 U.S.C Section 7206). This was the same statute that had the largest projected decrease—51%—when compared with five years ago. This is likely to reflect the staffing cutbacks at the Internal Revenue Service rather than an actual decrease in the incidence of such tax frauds. See [March 2021 TRAC Report](#) on plummeting odds of IRS referrals for criminal prosecution.

Top Ranked Judicial Districts

If the pace during the first nine months of FY 2021 continues at the same rate, white-collar crime prosecutions for one million people in the United States this year will be 14.4. Understandably, there is great variation in the per capita number of white-collar crime prosecutions in each of the nation's ninety-four federal judicial districts. See Table 3.

Table 3: Top 10 districts (per one million people)

Judicial District	Percapita	Count	Rank	1yr ago	5yrs ago	10yrs ago	20yrs ago
R. I.	70	56	1	3	14	26	82
Virg, W	51	84	2	32	77	66	57
Fla, S	47	263	3	12	2	3	8
N. Y., S	40	155	4	2	1	4	5
Montana	27	22	5	15	27	29	39
Mo, E	27	60	6	4	4	6	11
D. C.	26	14	7	1	3	13	1
Ga, N	25	129	8	29	56	77	42
La, E	25	31	9	5	7	36	36
La, M	24	15	10	11	10	90	3

- The District of Rhode Island—with 70.48 prosecutions as compared with 14.4 prosecutions per one million people in the United States—was the most active through June 2021. The District of Rhode Island was ranked 3rd a year ago. The district's position ten years ago was 26th and 82nd twenty years ago.

- The Western District of Virginia (Roanoke) ranked 2nd.
- The Southern District of Florida (Miami) now ranks 3rd.

The federal judicial district which showed the greatest projected growth in the rate of white-collar crime prosecutions compared to one year ago—250 percent—was Western District of Virginia (Roanoke). This was the same district that had the largest projected increase—386%—when compared with five years ago. Most of these recent prosecutions were IRS-investigated frauds in connection with major disaster or emergency benefits.

In the last year, the judicial District Court recording the largest projected drop in the rate of white-collar crime prosecutions-52.1 percent-was Washington, D.C. (Washington).

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