
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

August 24, 2006

Federal National Mortgage Association

(Exact name of registrant as specified in its charter)

Federally Chartered Corporation

000-50231

52-0883107

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

3900 Wisconsin Avenue, NW, Washington, District
of Columbia

20016

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

202-752-7000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

On August 24, 2006, Fannie Mae (formally, the Federal National Mortgage Association) announced that it has been advised by the United States Attorney's Office for the District of Columbia, which has been investigating Fannie Mae's accounting policies and practices, that it is discontinuing its investigation and does not plan to file charges against the company. The announcement, a copy of which is furnished as Exhibit 99.1 to this report, is incorporated herein by reference.

The information in this item, including the exhibit submitted herewith, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any disclosure document of Fannie Mae, except as shall be expressly set forth by specific reference in such document.

Item 9.01 Financial Statements and Exhibits.

(d) The exhibit index filed herewith is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Federal National Mortgage Association

August 24, 2006

By: *Beth A. Wilkinson*

Name: Beth A. Wilkinson

Title: Executive Vice President and General Counsel

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	News release, dated August 24, 2006

news release

Media Hotline: 1-888-326-6694
Consumer Resource Center: 1-800-732-6643

Contact: Chuck Greener

202-752-2616

Number: 3779

Date: August 24, 2006

Fannie Mae Informed by Justice Department that Investigation is Discontinued

WASHINGTON, DC – Fannie Mae (FNM/NYSE) today announced that it has been advised by the United States Attorney’s Office for the District of Columbia, which has been investigating Fannie Mae’s accounting policies and practices, that it is discontinuing its investigation and does not plan to file charges against the company. Fannie Mae was initially notified in October, 2004 of the U.S. Attorney’s investigation of the company.

The company announced in May that it had agreed to comprehensive settlements resolving matters with the Office of Federal Housing Enterprise Oversight (OFHEO) and the U.S. Securities and Exchange Commission (SEC).

In its latest 12b-25 filing, the company stated that it would complete its ongoing restatement by the end of 2006.

“We will continue to work closely and cooperatively with our regulators as we move forward to carry out the terms of our agreements, complete our restatement and build a better company,” said Daniel H. Mudd, President and Chief Executive officer.

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Fannie Mae is a New York Stock Exchange company. Fannie Mae has pledged through its American Dream Commitment to expand access to homeownership for millions of first-time home buyers; help raise the minority homeownership rate to 55 percent; make homeownership and rental housing a success for millions of families at risk of losing their homes; and expand the supply of affordable housing where it is needed most. More information about Fannie Mae can be found on the Internet at <http://www.fanniemae.com>.