When an article says the Bank Secrecy Act (BSA) whistleblower programme became “structurally closer” to the Securities and Exchange Commission (SEC) framework, it is describing how the programmes are organised—not saying they are identical or that they cover the same conduct.

The comparison is mainly about the machinery around an award: when an award is payable, how its amount is calculated, where the money comes from and what protections a whistleblower may have. Congress significantly changed the BSA programme in 2022. The result has features that will be familiar to people who know the SEC’s whistleblower system, but important procedural distinctions remain.

Those distinctions matter in practice. A report to an employer’s internal compliance team is not necessarily the same as a submission to a regulator. Nor is a whistleblower award a reward for simply raising a concern: statutory conditions, enforcement outcomes and timing all matter.



What the BSA whistleblower programme covers

The BSA is a United States law that requires financial institutions to help detect and report suspected money laundering and other financial crime. Among its requirements are obligations to file Suspicious Activity Reports (SARs) in specified circumstances. SARs are confidential reports made by financial institutions to the government; they are not a general-purpose form for employees or members of the public to send allegations to regulators.

The BSA whistleblower programme is a separate route. It can provide an award to an eligible person who supplies qualifying information to the relevant authorities and whose information contributes to successful enforcement action. The programme can also protect certain whistleblowers against retaliation for reporting covered violations.

The 2022 changes were made through the Anti-Money Laundering Whistleblower Improvement Act, enacted as part of the National Defense Authorization Act for Fiscal Year 2023. They amended the BSA programme that had previously been created by the Anti-Money Laundering Act of 2020. In broad terms, Congress replaced a less dependable award structure with one that more closely resembles the SEC’s established model.

What “structurally closer” means

The SEC programme, created under the Dodd-Frank Act, is best known for awards linked to successful enforcement actions. Eligible whistleblowers can generally receive a percentage of certain monetary sanctions,

subject to statutory criteria. The SEC also has a process for receiving and assessing tips and for determining awards.

After the 2022 overhaul, the BSA programme adopted some of the same basic design choices. Most notably, it provides for awards within a percentage range when a qualifying enforcement outcome meets a financial threshold. The law also established a fund to support awards. Together, these elements make the BSA programme look more like a functioning incentive system and less like a programme whose awards depend on whether Congress has made a separate sum available.

“Closer” is the important word. The SEC administers a securities-law programme. The BSA programme concerns money laundering, financial crime and other conduct covered by the statute. The agencies, legal tests, submission processes and covered violations are not interchangeable.

The $1 million sanctions trigger

Under the revised BSA framework, the award provisions are tied to successful enforcement actions involving monetary sanctions exceeding $1 million. In straightforward terms, the threshold is a gateway: a whistleblower does not qualify for a BSA award merely because they make a credible report. The information must meet the statutory requirements, contribute to an eligible successful action, and the action must cross the relevant sanctions threshold.

The threshold is not a promise that an award will be paid whenever a government action collects more than $1 million. Eligibility and the size of any award depend on the facts and the legal criteria. For example, the significance and usefulness of the information, the whistleblower’s contribution and other statutory considerations may affect the outcome. The award determination is made through the programme’s process, not by the employer or the whistleblower.

This threshold also helps explain the comparison with the SEC. Both systems connect awards to substantial enforcement outcomes rather than paying a fixed sum for every tip. But the details of what counts as an eligible action, what information qualifies and how the agencies apply the rules can differ.

What the 10 to 30 per cent range means

For a qualifying BSA award, the statutory range is 10 to 30 per cent of the monetary sanctions collected in the successful action or related actions, subject to the programme’s rules. It is a range for setting an award—not a standard payment rate and not a guarantee that a whistleblower will receive 30 per cent.

The distinction between sanctions imposed and money collected can be important. An enforcement announcement may cite a large penalty, but the award calculation is linked to amounts collected under the applicable rules. Questions such as whether sanctions are connected to the whistleblower’s information, whether they are within the covered proceedings and how multiple actions are treated need to be assessed under the statute and programme procedures.

The percentage model is more meaningful than a headline figure alone. A potential award depends on an enforcement outcome that may take time, on eligible collections and on an award decision. A person considering a report should not assume that a particular tip will lead to an investigation, a successful case or a payment.

Feature Practical meaning $1 million sanctions trigger A qualifying enforcement action must meet the statutory financial threshold before the award provisions can apply. 10 to 30 per cent range The award is determined within a statutory range; it is not an automatic percentage or guaranteed payment. Successful enforcement A report alone is not enough. The information must satisfy programme requirements and contribute to an eligible

outcome. Fund-backed awards The 2022 reforms created a dedicated funding mechanism, addressing a key weakness in the earlier structure.

Why the funding mechanism matters

Before the 2022 changes, the BSA programme's award provisions were widely criticised because the statute did not provide a dependable funding mechanism for awards. A programme can promise a percentage on paper, but that promise is less persuasive if the money to pay awards is uncertain.

The 2022 law established the Financial Integrity Fund, supported by certain monetary penalties collected by the government, to fund awards and related programme functions. This was a structural change: it addressed how awards could be financed, rather than simply adjusting the percentage range.

The SEC comparison is useful here because its programme also has a dedicated fund for awards. But the funds are not the same, and neither system should be described as a guaranteed source of payment in every case. An award still depends on eligibility, a qualifying enforcement result and a determination under the relevant law.

Internal reporting and external submissions are different steps

Employees often raise concerns first through an employer's internal compliance reporting channels: for example, a hotline, a manager, a https://www.lawyer-monthly.com/2026/10/bsa-whistleblower-program-policies-for-2027/ legal team or an anti-money laundering officer. These channels can help an organisation investigate and correct problems. They are not the same thing as submitting information to a regulator.

For an award under the BSA programme, the route and manner of providing information to the government matter. A whistleblower should not assume that telling an employer automatically counts as making an external submission to the relevant authority. Nor should an employer's internal investigation be confused with a regulator's own receipt and assessment of information.

There can be practical reasons to use internal channels, and a person may choose to do so. But that choice raises questions about timing, documentation and possible retaliation. Someone considering an external report should obtain advice about the applicable submission requirements and how an internal report may affect their position. This is especially important if the organisation is already investigating, or if the concern involves senior management.

SAR obligations are not a whistleblower shortcut

SAR obligations sit within the financial institution's compliance duties. A worker may have information relevant to whether a firm has met those duties, but that does not mean the worker should copy, disclose or personally file a SAR as a whistleblower submission.

SARs and information revealing their existence are subject to strict confidentiality rules. A person should not assume that an award programme overrides those restrictions. The safer distinction is this: report the underlying concern through an appropriate channel, and get legal advice before handling or disclosing any SAR or related material.

Anti-retaliation protection and a federal cause of action

The 2022 overhaul also strengthened the BSA programme's anti-retaliation framework. In general terms, an employer may not take specified adverse action against a person because of protected whistleblowing activity. The

protection is important, but it is not a guarantee that retaliation will not occur or that every workplace dispute will qualify.

The statute provides a federal cause of action for an eligible whistleblower who believes they have been retaliated against. That means the person may be able to bring a claim in federal court, subject to the statutory requirements and deadlines. Available remedies can include reinstatement, double back pay with interest, special damages and legal costs, depending on the circumstances and the court's decision.

Timing is not a technical afterthought. A person who experiences retaliation should promptly preserve relevant records and seek advice about the filing deadlines and procedural steps. Delay can affect legal rights, even where the underlying concern is serious.

Protection also depends on the activity being covered by the law. A report made only inside an organisation, a disclosure to the wrong recipient or conduct that falls outside the statute may raise difficult questions. The details matter, so whistleblowers should not treat a general description of protection as a substitute for advice on their own facts.

Key procedural distinctions from the SEC model

The "structurally closer" description is helpful only if it does not blur the differences. The BSA and SEC programmes share some architecture, but they operate in distinct legal settings.

- **Different subject matter:** The SEC programme concerns violations within its securities-law remit. The BSA programme concerns violations covered by the BSA and related statutory provisions.
- **Different regulators and processes:** The information must be directed through the applicable programme's submission process. A report to one regulator is not automatically a submission under another programme.
- **Different confidentiality issues:** BSA reporting can involve SAR confidentiality restrictions that do not disappear because a person is seeking whistleblower protection or an award.
- **Different eligibility rules:** The definitions of qualifying information, enforcement actions and award eligibility are programme-specific. Similar percentages do not make the rules identical.
- **Different practical risks:** A person may face employment, confidentiality or timing issues before any regulator decides whether to act. Legal protections should not be presented as eliminating those risks.

What the phrase tells readers—and what it does not

When an article says the BSA programme became "structurally closer" to the SEC framework, the most useful interpretation is that Congress strengthened the programme's award architecture. It introduced a mandatory-award model for qualifying cases, a 10 to 30 per cent range tied to sanctions above the $1 million threshold, and a dedicated funding mechanism. It also reinforced anti-retaliation rights, including access to a federal cause of action.



The phrase does not mean that every BSA tip will generate an award, that the SEC and BSA use identical procedures, or that internal compliance reporting is equivalent to reporting to the government. It does not permit a whistleblower to disclose a SAR freely. And it does not remove the need to consider confidentiality, retaliation and deadlines before acting.

For readers, the practical question is not just whether the programme resembles the SEC's. It is whether a particular person's information, submission route and circumstances meet the BSA statute and its procedures. That assessment should be made with qualified legal advice, especially where a report may involve confidential financial-crime information or a risk of workplace retaliation.