For a human resources (HR) team, the practical message is simple: an employee must not be punished for raising a concern about possible money laundering or another covered financial crime. Do not dismiss, demote, threaten, isolate or otherwise treat someone worse because they made a protected disclosure—or because you think they might make one.

That is a useful starting point, but it is not the whole rule. The Bank Secrecy Act (BSA) whistleblower provisions include a federal route to challenge retaliation, and they connect to a financial award programme. The law was substantially revised in 2022. HR policy should reflect the protections without promising that every report qualifies for an award or that every workplace dispute is covered by the statute.

This article explains the standard in plain language. It is a general guide, not legal advice. The facts, the type of report and the timing can matter, so involve employment and regulatory counsel when a concern arises.

The short version for HR

A useful HR instruction is: **"If someone raises a concern about a possible BSA violation, keep the report safe, assess it through the right channel, and make sure no employment decision is made because they raised it."**

In practice, that means separating two questions:

- **What should the organisation do with the concern?** Refer it promptly to the appropriate compliance or anti-money laundering team.
- **How should the organisation treat the person who raised it?** Protect them from retaliation, and document any employment decisions that could affect them.

HR does not need to decide whether the employee is right before applying the protection. A report may be mistaken, incomplete or ultimately unsubstantiated and still be protected if the legal requirements are met. Equally, calling something a "whistleblowing report" does not automatically make it a protected disclosure under every law.

What changed in 2022?

The BSA is the main US federal statute requiring financial institutions and certain other businesses to help detect and prevent money laundering. Its reporting framework includes Suspicious Activity Reports (SARs), which are confidential reports made to the US government by covered institutions when specified suspicious activity is identified.

Congress first created a BSA whistleblower programme through the Anti-Money Laundering Act of 2020. A 2022 legislative overhaul strengthened that programme through the Anti-Money Laundering Whistleblower Improvement Act, enacted in December 2022. The changes expanded and clarified whistleblower protections and awards, including a federal cause of action for retaliation.

For HR, the important point is not to memorise every part of the programme. It is to understand that an employee's concern may lead to a regulatory report or an external submission to the government, and that employment action linked to that reporting can create legal exposure.

What counts as retaliation in plain English?

The law prohibits an employer from taking specified adverse action against a covered whistleblower because of protected conduct. In everyday terms, do not **discharge, demote or discriminate** against someone for raising a qualifying concern or helping with a relevant investigation.

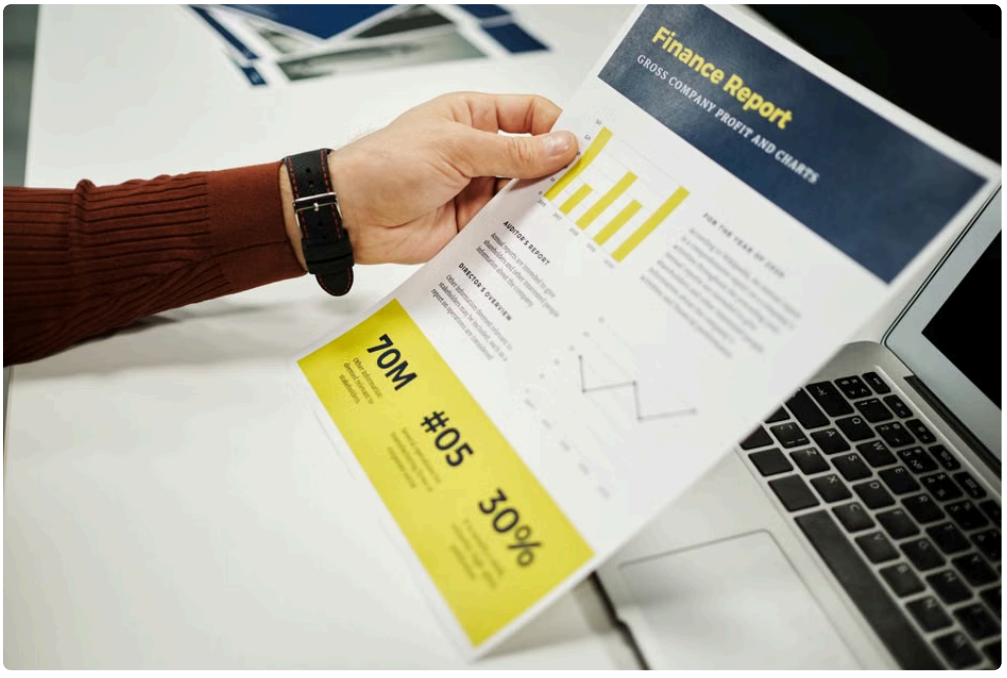
"Adverse action" is not limited to dismissal. Depending on the facts, it may include a pay cut, loss of responsibilities, a damaging transfer, suspension, threats, harassment, or another action that would deter a reasonable person from reporting. The label HR gives an action is not decisive. A "reorganisation" can still be challenged if the evidence suggests the real reason was the employee's report.

The link to the disclosure matters. The question is not simply whether the employee experienced an unpleasant workplace event. It is whether the employer acted against them because of conduct protected by the BSA provision. A decision based on a well-documented, independent performance reason may be lawful, but timing, inconsistent explanations and departures from normal procedure can all be relevant evidence.

What is a protected disclosure?

A protected disclosure is information provided in a way covered by the statute, about conduct that may violate the BSA or another law within the programme's scope. The statute covers certain reports to the Treasury Department, the Department of Justice (DOJ), other specified federal authorities, Congress, and an employer. It also covers certain assistance in investigations or proceedings.

That last point is important for HR policy: an employee may have protection for raising a concern internally. Do not assume protection only begins once a regulator receives a report. Nor should HR tell staff they must report internally first. The law provides routes that include external disclosures, and the correct advice depends on the circumstances.



There are statutory conditions and exceptions, and not every complaint about workplace conduct or every allegation of financial misconduct falls within this BSA provision. Other federal or state whistleblower laws may apply. HR should therefore avoid making a snap decision about legal coverage based only on the employee's choice of words.

Internal reporting and external submissions are different

An internal compliance channel is a route within the organisation: for example, a hotline, a compliance officer, an anti-money laundering team or a designated reporting mailbox. An external submission goes to a regulator or other government body. The two routes can serve different purposes, and one does not automatically replace the other.

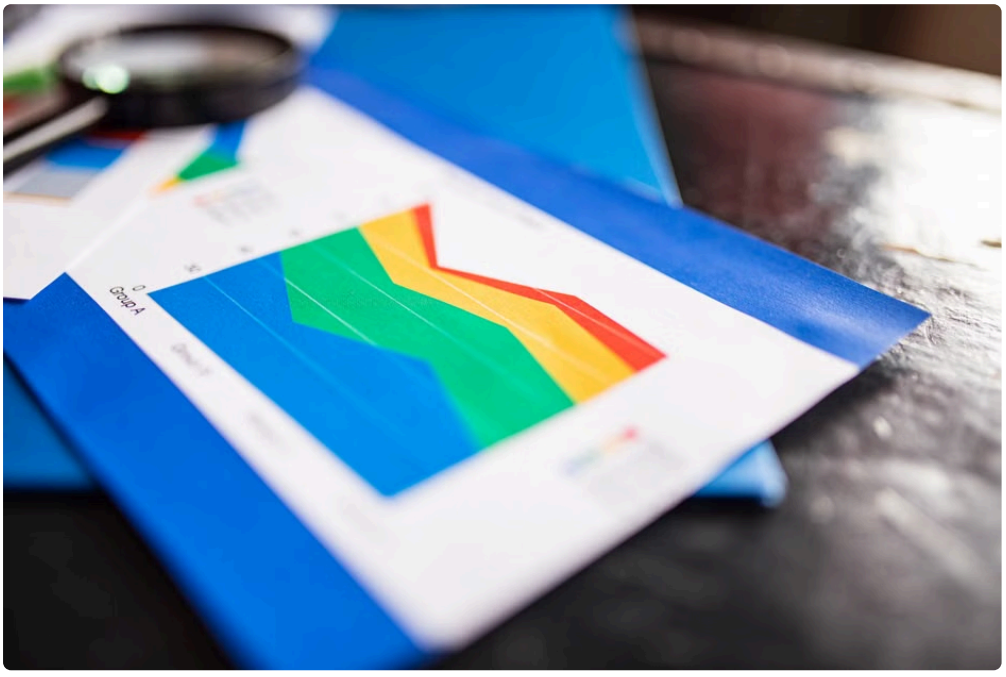
Route What it is for What HR should remember Internal compliance reporting Allows the organisation to receive, assess and escalate concerns through its own controls. Make channels accessible, route reports promptly, limit access to those who need to know, and do not obstruct an employee from contacting government authorities. External submission Allows information to be provided to a regulator or other authorised government body. Do not retaliate because an employee has made, or is considering, a qualifying external report. Do not assume the employer will be told about it immediately.

A financial institution may have obligations to investigate activity and file a SAR where required. Those responsibilities belong to the institution and its authorised decision-makers; they are not a reason for HR to investigate the employee's motives or to pressure them to withdraw a concern.

SAR confidentiality needs particular care. A SAR and information that would reveal its existence are subject to strict restrictions. That does not mean HR should suppress a worker's concern, or that every internal report is itself a SAR. Keep the issue with authorised compliance personnel and seek legal advice before sharing information that may identify a SAR or its contents. Avoid promising the employee that a SAR has or has not been filed.

The award programme: $1 million and 10 to 30 per cent

The award provisions are separate from the anti-retaliation rule. Under the amended programme, an eligible whistleblower may receive an award where original information leads to a successful enforcement action and the monetary sanctions exceed the statutory threshold of **$1 million**. The award range is generally **10 to 30 per cent** of the monetary sanctions collected, subject to the statute and the programme's rules.



The word "mandatory" needs careful explanation. Where the legal conditions are met, the statute directs that an award be paid to an eligible whistleblower. It does not mean that every person who reports a concern automatically receives money. Eligibility, the quality and originality of the information, the connection to the enforcement action, the sanctions collected and other statutory rules all matter.

Nor is 10 to 30 per cent a guaranteed personal payment. It is a range used to determine an award from qualifying collected sanctions, not a promise that a particular employee will receive a set percentage. The award is determined under the programme; HR should not estimate, promise or discourage a potential award.

In particular, internal reporting and award eligibility are not identical concepts. An internal report may be protected from retaliation, while an award generally involves specific statutory requirements about information provided to the government and its contribution to an action. An employee's route and timing can matter. HR should not tell employees that they must use the company channel to preserve an award, or that using it means they have lost the ability to contact regulators.

The federal cause of action and practical consequences

The amended BSA provides a federal cause of action for qualifying retaliation. In plain language, an eligible whistleblower can pursue a legal claim through the process set out in the statute. The process includes a complaint to the US Department of Labor, generally within 180 days of the alleged violation or of when the employee became aware of it. If the statutory conditions are met, including the absence of a timely final decision, the claimant may be able to bring an action in federal court.

Potential real estate AML reporting remedies can include reinstatement, double back pay with interest, compensation for special damages, and payment of reasonable legal fees and costs. The exact remedy depends on the case. A company should not assume that an internal investigation or a private settlement process removes the employee's statutory rights.

Timing is important for both sides. The employee may face a filing deadline, while the employer should act quickly to preserve relevant records and assess the complaint. HR should not delay referral until a performance process, restructuring or disciplinary decision is complete. If a decision is already under way, record when it began, who made it, what evidence supports it and whether the decision-maker knew about the report.

How to build the rule into HR policy

A strong HR policy gives managers specific instructions, rather than a vague promise to "take concerns seriously". Consider including these steps:

1. **Recognise and route.** Train HR staff to recognise concerns about suspicious transactions, money laundering controls, sanctions or possible BSA violations. Refer them promptly to the designated compliance contact.
2. **Keep the channels open.** Explain internal reporting options without suggesting they are the only permitted route. Do not obstruct an employee's contact with a regulator, the DOJ, Congress or another authorised body.
3. **Limit access appropriately.** Share information only with people who need it to assess the concern. Preserve confidentiality where possible, but do not guarantee secrecy if the law or a fair investigation requires disclosure.
4. **Separate the report from employment decisions.** If a manager proposes to discharge, demote, discipline or change the employee's role, check whether the person has recently raised or supported a concern. That check is not a veto; it is a prompt for careful, independent review.
5. **Record the evidence.** Keep a dated record of the employment decision, the reasons for it, the evidence relied on and the people involved. Avoid backdating, rewriting or creating a rationale after the event.
6. **Monitor for indirect retaliation.** Check for exclusion from meetings, sudden negative reviews, pressure to resign, threats or other treatment that could punish or deter reporting.

7. **Escalate sensitive cases.** Involve employment counsel and the appropriate compliance or legal team where an external report, SAR confidentiality or a proposed adverse action is involved.

What HR should say—and what it should not say

Useful wording is calm and factual: **"Thank you for raising this. I will send it to the appropriate team. You may also use any reporting route available to you. We will not tolerate retaliation for a protected report."**

Avoid statements such as "You must report this internally first", "You cannot go to the regulator", or "If the allegation is wrong, you can be fired for raising it". Those statements may discourage reporting and can create avoidable risk. Also avoid promising that the report will stay entirely confidential or that the employee will qualify for a financial award.

The message to take away

Explain the standard to HR as a conduct rule: do not punish someone for making a qualifying report, and do not let a reporting concern distort a legitimate employment decision. Internal compliance channels matter, but they are not a substitute for understanding external reporting rights. SAR obligations and confidentiality must be handled by authorised personnel, not used as a reason to silence an employee.

The 2022 changes made the BSA whistleblower framework more significant: qualifying cases can involve a federal retaliation claim as well as a possible award tied to sanctions above $1 million. The award range is 10 to 30 per cent, but eligibility is conditional. A clear HR policy, prompt escalation, careful documentation and attention to timing are more useful than broad promises.