Being fired is not the only way an employer can retaliate against someone who raises https://openclassactions.com/blog/aml-bsa-whistleblower-program-faqs.php concerns about money laundering, suspicious transactions, or sanctions. A reduction in pay, a cut in hours, or a suspension may also count. So can less obvious changes, such as stripping someone of important duties, blocking a promotion, or making working conditions so difficult that the person feels pushed out.

These issues matter to employees and contractors at banks and other financial businesses who report possible violations of the Bank Secrecy Act (BSA), the law that requires financial institutions to help detect and report certain financial crimes. The BSA whistleblower program offers a potential award for qualifying information and includes protections against workplace retaliation. But a disappointing workplace change is not automatically illegal retaliation: the facts, timing, decision-makers, and connection to a protected report all matter.

What is the AML/BSA whistleblower program?

The anti-money laundering (AML) and BSA whistleblower program is administered by the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury. It allows eligible people to provide information about certain violations and, if statutory requirements are met, potentially receive an award when their information contributes to a successful enforcement action.

The program also prohibits employers from retaliating against covered whistleblowers for protected activity. The law reaches beyond a formal employer-employee relationship: depending on the circumstances, protection can extend to employees, contractors, subcontractors, and agents.

The program's modern statutory framework was significantly expanded by the Anti-Money Laundering Act of 2020. Further changes came through the National Defense Authorization Act for Fiscal Year 2023, signed on December 23, 2022. Those amendments strengthened the award framework and clarified the scope of covered violations and retaliation protections.

FinCEN publishes program information and updates at fincen.gov. An award is not automatic, and eligibility for an award is separate from whether a person has a viable retaliation claim.

What counts as protected reporting?

Protected activity can include providing information about a suspected violation to an appropriate government body or participating in a related investigation or proceeding. The statute recognizes disclosures to government authorities and, in specified circumstances, reports to a supervisor or someone with authority to investigate or address the misconduct.

For example, a bank employee might tell a compliance manager that repeated transactions appear structured to avoid reporting requirements. Another employee might provide records to investigators after a government inquiry begins. Whether a particular disclosure is protected depends on what was reported, to whom, and the applicable legal requirements.

Employees should be careful with Suspicious Activity Reports (SARs). SARs are confidential, and strict rules limit who may disclose their existence or contents. A whistleblower should not assume that a protected report permits them to copy, circulate, or publicly reveal a SAR. Consider getting advice from a lawyer familiar with both whistleblower law and SAR confidentiality before sharing sensitive records.

What violations may qualify?

The program can concern violations of the BSA and other laws within the relevant Treasury enforcement framework. Common AML-related concerns may involve a financial institution's reporting, recordkeeping, or customer due diligence obligations. Depending on the facts and the law involved, sanctions-related misconduct may also be relevant.

Issue Example of a concern Why details matter SARs Alleged failure to file required reports, or interference with a proper internal process for identifying suspicious activity. A filing decision can depend on specific facts and legal obligations. The existence or contents of a SAR must remain confidential. Structuring Transactions allegedly arranged to evade reporting or recordkeeping requirements, or a failure to respond appropriately to signs of structuring. Ordinary transactions are not proof of a violation. Patterns, intent, and the institution's response may be important. Customer due diligence (CDD) Alleged failures in required customer identification, beneficial ownership, or ongoing monitoring processes. The applicable obligation depends on the institution, customer, risk, and governing rules. Records and reporting Alleged failures to keep required records or maintain systems needed to meet BSA obligations. Preserve relevant information lawfully; do not take confidential material without advice. Sanctions Alleged dealings involving prohibited parties or transactions, or efforts to conceal or evade sanctions controls. Which law applies and which agency has authority can affect whether the matter falls within the program.

"Original information": what does it mean?

A potential award generally depends on providing "original information" that helps the government achieve a successful enforcement result. In broad terms, original information is information derived from the person's independent knowledge or analysis, not already known to the government from another source, and provided in the manner required by law.

That does not necessarily mean the person must be the first to notice a problem or possess a dramatic "smoking gun." A compliance analyst who identifies a pattern across transaction records, for example, may contribute useful analysis. But simply repeating public information, or submitting a report that adds nothing material, may not meet the standard.

Whistleblowers should distinguish between documenting what they personally observed and making conclusions they cannot support. A clear timeline, names of relevant systems or processes, and specific examples can help an attorney assess the information. Do not alter records, access systems without authorization, or remove documents in violation of workplace rules or confidentiality laws.

Adverse actions besides firing

The retaliation provision is not limited to termination. It prohibits an employer from directly or indirectly discharging, demoting, suspending, threatening, harassing, or otherwise discriminating against a protected whistleblower in the terms and conditions of employment because of protected activity.

The central questions are often whether the employer took a materially negative action and whether the protected report was a reason for it. Below are common examples that may warrant closer review.



Reduction in pay or benefits

A reduction in pay can be an adverse action, especially if it follows a report and is imposed selectively or without a credible explanation. A cut in bonus eligibility, commission, scheduled raises, or other compensation may also matter. Compare pay records and performance reviews from before and after the report, and note how similarly situated colleagues were treated.

Reduction in hours, shifts, or responsibilities

A reduction in hours can have a direct financial effect. So can being removed from desirable shifts, losing overtime, or having core responsibilities reassigned. A change may be more concerning if the employee's role is hollowed out, the change conflicts with prior performance assessments, or the employer gives shifting reasons for it.

Suspension

A suspension can be an adverse action whether it is paid or unpaid. The surrounding circumstances matter: Was the person suspended soon after reporting? Was the stated reason applied consistently? Did the employer follow its usual process? A legitimate investigation can involve temporary restrictions, but an investigation should not be used as a pretext to punish a whistleblower.

Demotion, blocked advancement, or loss of authority

A demotion can include a lower title, less decision-making authority, reduced access to information, or reassignment to work that limits career prospects. A promotion denial may also be relevant when the person was otherwise qualified and the timing or explanation suggests a connection to protected reporting.

Threats, harassment, and pressure to resign

Threats to fire or discipline someone for continuing to cooperate, hostile treatment by managers, or repeated pressure to resign may contribute to a retaliation claim. A single unpleasant interaction does not necessarily meet the legal standard. But a pattern—particularly one that affects the person's ability to do the job—deserves careful documentation.

Other changes to working conditions

Potentially significant actions can include a negative performance review that departs from prior feedback, exclusion from meetings needed to do the job, denial of training, a transfer to a substantially worse role, or heightened scrutiny that is not applied to comparable employees. The effect and context matter more than the employer's label for the action.

Workplace change Questions to document Reduction in pay or bonus When did it begin? Was the decision explained in writing? How were comparable workers treated? Reduction in hours or shifts How many hours were lost? Did the schedule change soon after the report? Was there a stated business reason? Suspension or discipline Was it paid? What policy was cited? Did the employer follow its normal procedure? Demotion or loss of duties What responsibilities changed? Did the change affect status, pay, or future opportunities? Harassment or threats What was said or done, by whom, when, and in front of which witnesses?

How to assess whether a change may be retaliation

Timing can be evidence, but timing alone does not prove retaliation. A decision may have a documented business explanation, while a sudden change in treatment after a protected report may raise questions—particularly if the explanation changes or conflicts with earlier records.

Useful context can include performance history, compensation and scheduling records, messages about the report, the employer's stated reason, and how comparable workers were treated. Keep a factual timeline. Separate what you directly observed from what you heard from others, and avoid speculation or inflammatory language.

What to do next

1. **Write down the timeline.** Record when you raised the concern, who received it, what happened afterward, and the date of each workplace change.
2. **Preserve lawful, non-confidential evidence.** Keep copies of materials you are authorized to retain, such as your own pay statements, schedules, performance reviews, and employment policies. Do not access restricted files or take SARs or other protected records without legal advice.
3. **Use a personal device for sensitive research.** Avoid using a work laptop, work email, or employer-controlled accounts to contact a lawyer or research reporting options.
4. **Talk with a qualified attorney promptly.** Deadlines and procedures can be strict. Ask specifically about retaliation remedies, reporting options, SAR confidentiality, and how to protect potentially relevant evidence.
5. **Check current official guidance.** Review FinCEN's information at fincen.gov and confirm the appropriate process for your situation. Do not assume that submitting an award tip automatically files a retaliation complaint.

Bottom line

A firing is only one possible form of whistleblower retaliation. A reduction in pay, a reduction in hours, suspension, demotion, harassment, or a significant change in duties may also be relevant under the BSA whistleblower protections. Whether any particular action is unlawful depends on the facts and the connection to protected activity. Keep a careful, lawful record of what changed and when, protect confidential SAR information, and get legal advice early rather than waiting for the situation to escalate.

