Yes, potentially. A contractor, consultant, vendor worker or other non-employee may be able to provide information under the Bank Secrecy Act (BSA) whistleblower programme. The law does not limit eligibility to a financial institution's employees. But being a "non-employee tipster" is not enough by itself: the person must meet the programme's information, reporting and award criteria, and some roles or sources of information can affect eligibility.

The distinction between reporting internally and submitting information to a regulator matters. Telling a bank's compliance team about a concern may help the institution investigate it, but it is not necessarily a submission to the government's whistleblower programme. Conversely, going directly to a regulator does not guarantee an award or protection from retaliation.

This article explains the federal framework in general terms. The application of the law to a particular contractor, contract or disclosure can be fact-specific.

The programme's legislative history

It is sometimes described as a "2022 overhaul" of the BSA whistleblower programme. That is not the most accurate date for the main statutory expansion. The substantial changes were enacted in the Anti-Money Laundering Act of 2020, part of a law signed on 1 January 2021. They replaced a more limited reward scheme with a framework that provides for mandatory awards in qualifying cases.

The change matters because the earlier programme's award provisions were widely regarded as limited. Under the amended law, an eligible whistleblower may receive a percentage of monetary sanctions collected in a successful enforcement action, if the statutory conditions are met.

Who can qualify?

The BSA provision refers to an individual who voluntarily provides original information about a possible violation of the BSA or its regulations to the US Treasury Department, the US Department of Justice, or another designated authority. ***FinCEN reporting*** It does not say that the individual must be an employee of the business involved.

That leaves room for a contractor or other outside person to qualify. For example, a technology vendor's worker might encounter evidence while supporting a bank's transaction-monitoring system. A consultant might learn of a suspected control failure while conducting a review. A correspondent banking partner or other third party could also have relevant information.

But the route from information to award is not automatic. The information must satisfy the statutory conditions and must lead to a successful enforcement action with more than $1 million in monetary sanctions. The programme is for individuals; a company or consultancy cannot claim an award in its own name simply because its staff supplied information.

Eligibility questions for contractors

A contractor considering a report should ask more than "Am I an employee?" Relevant eligibility questions include:

- **What is the information about?** It must relate to a possible BSA violation or a violation of its regulations, rather than merely poor service, a contractual dispute or general misconduct.
- **Is the information original?** The law generally looks for information derived from the individual's independent knowledge or analysis, rather than information already known to the government or publicly

available. The details matter.

- **Was the disclosure voluntary?** A disclosure made only after a legal or official demand may not meet this condition. Timing can be important.
- **Was it submitted to the right place?** An internal report to a client or contractor's employer is not, by itself, the same thing as submitting information to a government authority under the programme.
- **Did it lead to a qualifying case?** The information must contribute to a successful enforcement action meeting the sanctions threshold. A report can be serious and accurate but still produce no award.
- **Do exclusions or reductions apply?** A person's role in the conduct, how the information was obtained, and other statutory factors can affect eligibility or the award.

Internal channels are not the same as external submissions

Financial institutions subject to the BSA have obligations to maintain anti-money-laundering controls and, where the legal requirements are met, to file Suspicious Activity Reports (SARs). Those obligations belong to the regulated institution. A contractor may identify facts relevant to a client's review, but that does not automatically make the contractor responsible for filing the institution's SAR.

Internal compliance channels and external whistleblower submissions serve different purposes. A contractor can raise a concern through a client's compliance hotline, a designated contact or an internal investigation process. That may prompt the business to assess the issue and determine whether it has a SAR obligation. But an internal report does not necessarily place the information before the Treasury Department, the Department of Justice or another designated authority for whistleblower-award purposes.

Nor does the existence of an internal channel always mean the person must use it before contacting a regulator. The BSA whistleblower framework does not impose a general requirement to report internally first. A person should not assume, however, that an internal report preserves an award claim, or that an external submission eliminates contractual, confidentiality or retaliation risks.

SARs are confidential. A contractor should not seek, copy or disclose a SAR unlawfully, or tell a subject that a SAR has been or may be filed. A report to a regulator should focus on the underlying facts the person is lawfully able to provide. Confidentiality, privilege, data-protection rules and contract terms may all need careful review.



The $1 million sanctions trigger

The award provisions apply only where a successful enforcement action results in monetary sanctions exceeding $1 million. This is a threshold for the action, not a promise that the whistleblower will receive $1 million, and it is not a minimum award payable to the individual.

“Monetary sanctions” and the calculation of collections can raise technical questions. The size of a proposed penalty is not necessarily the same as the amount ultimately imposed and collected. A case that ends without qualifying sanctions, or below the threshold, may not generate an award under this programme even if the disclosure helped the authorities.

This threshold makes timing and documentation relevant. A person may need to establish what information they supplied, when they supplied it, and how it relates to the enforcement action. Keeping a lawful record of the submission and its date can help, but no one should remove client or employer records without authority.

Mandatory awards: 10 to 30 per cent

Where the statutory conditions are satisfied, the law provides for an award of between 10 and 30 per cent of the monetary sanctions collected in the covered action and related actions. The award is not an automatic flat percentage. The responsible authority determines the amount within the statutory range, applying the programme’s criteria.

Issue What it means in practice Mandatory award If the legal conditions are met, the statute calls for an award; the authority still has to determine eligibility and the amount. 10–30 per cent range The percentage applies to qualifying sanctions collected, not to the whistleblower’s losses or the total value of a company’s business. Award criteria The quality and usefulness of the information, the person’s assistance and other factors can affect where an award falls within the range. No qualifying collection If the enforcement action does not meet the statutory conditions, there may be no award, even if the person made a good-faith report.

The practical message is to avoid treating the 10 per cent lower end as guaranteed, or the 30 per cent upper end as a likely outcome. The percentage range describes the legal framework, not a prediction. It also does not mean every tip leads to an investigation, enforcement action or collection.

Can a contractor be excluded from an award?

Contractor status does not itself bar an award, but a person’s function and conduct may matter. The statute and implementing rules address circumstances in which an award may be denied or reduced. Issues can arise where the person was involved in the underlying violation, obtained information through a protected or restricted relationship, or had responsibilities connected with compliance, internal audit or legal work.

Those questions are particularly important for consultants hired to test controls, investigate transactions or provide legal advice. A person may have relevant information but still face limits on using it or receiving an award. The answer depends on the role, the source of the information and the applicable rules; a job title alone may not resolve the issue.

Contractors should also distinguish the government’s whistleblower process from their private contract. A contract may contain confidentiality, notice or dispute-resolution terms. Such terms do not necessarily settle what a person may lawfully report to government, but they can create practical risks and should not be ignored.

Anti-retaliation protections and a federal claim

The BSA amendments include anti-retaliation protections. In general, an employer may not discharge, demote, suspend, threaten, harass or otherwise discriminate against a whistleblower because of protected reporting or related assistance. The law also provides a federal cause of action: a qualifying whistleblower may bring a claim in federal district court and, if successful, seek remedies set out in the statute, which can include reinstatement, back pay and other relief.

For contractors, the key question is whether the relevant relationship and conduct fall within the statutory protection. A direct employee of a regulated bank may have a clearer employment relationship than a worker employed by a staffing firm or technology vendor and assigned to the bank. The client, the contractor's actual employer and the person who takes the adverse action may all matter. The law should not be read as a guarantee that every commercial relationship is covered.

Retaliation can also be difficult to prove. A contract ending, loss of a client assignment or exclusion from a project may have several possible explanations. A person who fears retaliation should consider recording relevant events lawfully, preserving their own employment or contract documents, and obtaining advice promptly. They should not take confidential business records to build a case.



Deadlines matter. The statute sets a time limit for bringing a retaliation claim, and the route to relief can involve procedural requirements. A person should not wait for an award decision before checking whether a retaliation deadline is running.

Practical steps for a non-employee tipster

1. **Separate facts from conclusions.** Note what you observed, when it happened and how you know it. Avoid presenting suspicion as established fact.
2. **Check the reporting route.** An internal compliance report and a submission to a regulator are different steps. Confirm what the relevant whistleblower process requires.
3. **Protect confidential information.** Do not disclose a SAR, privileged material or client data unlawfully, and do not access systems or records beyond your authority.
4. **Consider your role.** Compliance, audit, legal and investigative duties can affect award eligibility or the permissible use of information.

5. **Assess retaliation and timing.** Think through who controls your contract or assignment, preserve relevant records lawfully, and check applicable deadlines before they become urgent.
6. **Get tailored advice.** A lawyer familiar with the BSA whistleblower provisions can assess eligibility, confidentiality and retaliation issues against the particular facts.

The bottom line

Contractors and other third parties can potentially qualify as BSA whistleblowers because the programme is not limited to employees. But a non-employee tipster must still provide qualifying information voluntarily to the appropriate authorities, meet the original-information and enforcement requirements, and navigate exclusions and award criteria. A successful action must cross the $1 million monetary-sanctions threshold before an award is available.

Internal reporting can be valuable, especially where a business needs to assess its BSA controls and SAR obligations. It is not automatically a substitute for an external submission under the whistleblower programme. And although the law provides anti-retaliation protections and a federal cause of action, coverage for a particular contractor relationship should not be assumed. The safest approach is to treat eligibility, confidentiality, timing and retaliation as separate questions and assess each before acting.