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The SEC Whistleblower Program A Year Into 2nd Trump Admin

By **Scott Silver and David Chase** (December 12, 2025, 4:19 PM EST)

Scott Silver

David Chase

When Congress enacted the Dodd-Frank Act in 2010, it created the U.S. Securities and Exchange Commission's whistleblower program to encourage individuals with credible information about securities law violations to come forward. The premise was simple: If a whistleblower voluntarily provides original information leading to a successful enforcement action resulting in monetary sanctions of $1 million or more, the commission may award between 10% and 30% of the funds collected.[1]

Fifteen years later, the program remains a central feature of the SEC's enforcement arsenal. Through fiscal year 2024, it produced more than $2.2 billion in awards to over 440 individuals, exposing frauds that might otherwise have gone undetected.[2]

Since the transition to a new administration in January, questions naturally arose about whether this program would endure in its existing form or be reshaped by new enforcement priorities.

Now, the picture is clearer: The program continues to operate as designed, but its internal cadence, its scrutiny of claims and its operational structure reflect a period of recalibration. The result is an environment where precision matters more than ever for whistleblowers, their counsel, and anyone navigating the submission and award process.

Continuity: Program Remains Intact

The fundamentals remain unchanged. The statutory framework, including protections for confidentiality, with anonymity preserved through counsel; antiretaliation safeguards; and the 10%-30% award band, has not been altered.

Nor has there been any repeal or rollback of Dodd-Frank's whistleblower provisions. The SEC continues to maintain a dedicated whistleblower program webpage with final award orders, notices of covered action, and program updates.[3]

Recent awards illustrate this continuity. In April, the SEC announced a $6 million award to two joint whistleblowers.[4] And in July, it issued three awards totaling $7.5 million across multiple claimants.[5] These announcements demonstrate that the SEC's Office of the Whistleblower continues to evaluate claims and distribute awards.

Evolution: A Stricter Application of Program Rules

Where change has been most visible is in how the commission evaluates claims.

Between April 21 and July 15, the SEC issued 31 consecutive denials, affecting at least 55 claimants, the longest such streak in the program's history.[6]

This streak occurred against the backdrop of a dramatic decline in overall award payouts. Fiscal year 2025 whistleblower awards totaled roughly $60 million, the lowest level in six years, compared with

$255 million in fiscal year 2024.[7] This decline accompanied a tightening of eligibility review and a rising denial trend.[8]

One order in particular highlights this shift. On May 5, the commission formally disavowed a prior award to activist investor Carson Block, making clear that reports shared with the media before the submission of formal tips, complaints and referrals do not satisfy statutory filing requirements.

This underscores a core principle: Awards are tied to compliance with process, not simply the value of the information provided.[9]

Organizational Adjustments: Structure and Resources

Broader structural changes at the SEC have also affected program operations.

On April 9, the agency announced a significant restructuring of its Division of Enforcement. The legacy 10-region model was consolidated into three regional deputy directors — West, Northeast and Southeast — overseeing specialized enforcement units, an effort described as improving efficiency and resource allocation.[10]

Separately, the SEC's fiscal year 2026 budget request held funding flat at approximately $2.15 billion, while reducing full-time positions to about 4,100, down from roughly 4,550.[11] Because whistleblower awards are paid from the Investor Protection Fund, which is not subject to annual appropriations, the program remains insulated from direct budgetary reductions.

Increased Scrutiny

The whistleblower program has increasingly become part of a broader policy debate. Some commentators have highlighted the scale of prior awards and the growing role of specialized law firms, with a few referring to what they describe as a whistleblower-industrial complex. While perspectives differ, such commentary reflects heightened program visibility and the importance of maintaining rigorous, credible procedures.

These debates are not new. The program has long drawn praise for exposing frauds, as well as criticism for certain large payouts. What distinguishes the current moment is the commission's unmistakable emphasis on procedural rigor, meaning claims must meet statutory requirements, and exceptions previously granted are far less likely to recur.

What Hasn't Changed

Despite recent evolutions, several constants remain. The statutory core of the program is fully intact, confidentiality and antiretaliation protections remain robust, awards continue to be publicly announced, and the Investor Protection Fund remains strong and fully funded.

What is less visible are internal factors such as staffing decisions, guidance memos and prioritization frameworks that are not publicly disclosed. For outside observers, the best indicators remain indirect metrics such as denial rates, award amounts and claim-processing trends.

Why Procedural Rigor Is Defining the Next Phase of the SEC Whistleblower Program

As of now, the SEC whistleblower program is both stable and evolving. At the same time, the SEC has applied rules more strictly, streamlined its enforcement structure and signaled a clear preference for procedural precision.

When this administration began, we anticipated that the program would remain intact but that its enforcement posture would shift toward greater procedural rigor. That prediction has proved accurate.

Awards continue to be issued, statutory guardrails are firmly in place and the program is operating as designed. Yet the streak of denials, the disavowal of the Carson Block award and the restructuring of regional offices collectively signal a heightened emphasis on strict compliance and alignment with investor protection priorities.

For whistleblowers and their counsel, the opportunity remains, but the bar is higher. Submissions must be carefully constructed, aligned with current enforcement priorities and supported by clear, admissible evidence.

The lesson of 2025 is not that the whistleblower program is shrinking or in jeopardy, but rather that it is maturing into a more disciplined system, where only the strongest, most compliant claims succeed.

For those prepared to meet that standard, the program remains a powerful tool for exposing wrongdoing, protecting investors and reinforcing the integrity of the U.S. financial markets.

Five Tips for Whistleblowers and Counsel

1. Precision matters: Submissions must be airtight with proper filing of tips, complaints and referrals; timeliness; and strict eligibility compliance.

2. Focus on investor harm: The SEC continues to prioritize conduct that harms retail investors.

3. Documentation is critical: Emails, internal documents, contracts and financial records remain the gold standard.

4. Expect a longer timeline: Even strong claims may take years from submission to final award.

5. Cooperation adds value: Ongoing engagement with the SEC strengthens claim credibility.

Scott L. Silver is the managing partner of Silver Law Group.

David R. Chase is the managing partner of The Law Firm of David R. Chase PA. He previously served as an SEC enforcement attorney and is currently an adjunct professor at the University of Miami School of Law.

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[3] Ibid.

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