Parliament passes tough new laws to protect the NDIS from fraudsters, predators and shonks

1 April 2026

The Government's National Disability Insurance Scheme Amendment (Integrity and Safeguarding) Bill 2025 will become law after it passed the Parliament today.

It delivers tough new laws to protect people with a disability and safeguard the NDIS from exploitation at the hands of fraudsters, predators and shonks, and throws the book at those responsible for serious misconduct and unsafe practices within the scheme.

Key measures include;

- Making it a crime to fail to comply with a banning order - carrying a maximum sentence of 5 years imprisonment.
- Making it a crime to provide supports that require registration without being registered – carrying a maximum sentence of 5 years imprisonment.
- Increasing fines by up to 40 times for serious code of conduct breaches including from a maximum of $412,500 to more than $15 million when serious misconduct leads to death or serious injury.
- New anti-promotion orders designed to crack down on businesses that advertise NDIS supports in ways that undermine the scheme's integrity and trick NDIS participants into misuse of their funding.
- Expanding banning order categories so the NDIS Commission can ban bad actors from being NDIS auditors, business advisors and consultants.
- Stronger whistleblower protections to ensure individuals can safely report concerns about unsafe or unlawful practices within the Scheme.
- Strengthened monitoring, compliance and enforcement powers of the NDIS Quality and Safeguards Commission.

The Bill will also modernise NDIS claims by introducing mandated electronic claim forms to prevent fraud and abuse of the system at the expense of participants.

It also creates a new power for the National Disability Insurance Agency to request evidence before claims are paid.

Quotes attributable to Minister for the NDIS Jenny McAllister:

"If you are a fraudster or a shonk who thinks that the NDIS is a soft target then I urge you to reconsider, otherwise you might spend the next couple of years in a prison cell.

"These new laws mean that the fraudsters are on notice. Those who think they can take advantage of the disability community, and the NDIS will be held to account.

"They will also give the NDIA and NDIS Commission new powers to protect the disability community from this kind of predatory behaviour.

“These are common sense measures, but we know there’s still more work to do to get the fraudsters, predators and shonks out of the disability sector.”

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