

From: [Mark Schemper](#)
To: [NASAA Comments](#); [Theresa Leets](#); bill.beatty@dfi.wa.gov; [Erin Houston](#)
Subject: [EXTERNAL]Comments on the Proposed NASAA Model Franchise Broker Registration Act
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Dear NASAA Officials:

I'm writing to share my perspective on the proposed NASAA Model Franchise Broker Registration Act—and why I believe it misses the mark.

For context: I've spent over a decade in the trenches as a small business owner, first running an Ace Hardware franchise, then pivoting to small business consulting and franchise brokering. In that time, I've guided hundreds of entrepreneurs toward suitable opportunities without a single complaint. This isn't theoretical for me—it's my daily reality.

Here's what concerns me about this proposal:

The Problem Isn't Clear

Before adding new rules, shouldn't we identify what's actually broken? Franchising already operates under robust consumer protections: mandatory Franchise Disclosure Documents, state oversight in registration jurisdictions, and built-in waiting periods. Where's the evidence of market failure that justifies additional layers?

Excessive Regulatory Burden

Small operators like me are already navigating complex regulatory environments. The proposed registration requirements would create administrative overhead that could easily exceed the profit margins of boutique consulting practices. The result? Fewer qualified advisors available to help aspiring entrepreneurs—the opposite of the intended outcome.

Scope Creep

The "franchise broker" definition casts too wide a net. It would ensnare professionals who simply provide referrals or information—not those actively engaged in sales transactions. This creates unnecessary friction for legitimate business activities.

Practical Disconnect

The 5-year record retention mandate exceeds both IRS requirements and standard business practices (typically 3 years). It's a solution in search of a problem, adding cost without corresponding benefit.

I respectfully suggest reconsidering this proposal or dramatically narrowing its scope to target genuine bad actors rather than penalizing the entire ecosystem.



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