

From: [Sharon Strange](#)
To: [NASAA Comments](#)
Subject: [EXTERNAL]NASAA Franchise Broker Comments
Date: Wednesday, August 27, 2025 4:30:19 PM
Attachments: [image.png](#)

Hi,

I have been in the franchising side of things for a very long time. My family has owned franchises and my husband and I have owned franchises as well as are both franchise consultants, so we understand the dynamics at play within franchising.

In reading the new proposed franchise broker act, the term "franchise broker" is far too encompassing. It is too broad and would include individuals who simply make referrals or provide information, not those actually engaged in franchise sales (which I believe sales is the intent of the bill). The current wording would require countless business professionals to register unnecessarily at a significant and undue cost. The current definition catches lead generation sources and referrals (such as franchise consultants) and professional service providers (such as CPAs and funding). This broad definition of "franchise broker" lacks the precision required for regulatory certainty. Business professionals need **clear guidance** about when registration is required to avoid inadvertent violations.

FranChoice and its consultants are not involved in the franchise sales process – we are a lead source for franchise companies. We send them leads for prospective franchisees, which are then taken through a sales process by the franchise sales staff (whether internal employees or independent contractors like FSOs). As a lead source for franchise companies, just like internet advertising sites such as the IFA or Entrepreneur.com, or social media sites like Facebook and LinkedIn, or many other examples, we should not be covered in this definition of franchise sellers because that's not what we do. **The confusing language in this regulation, designed to label as a broker anyone who is "indirectly" involved in the franchise sales process needs to be changed or the unintended consequences will be significant.**

Current state and federal regulations already address the legitimate concerns raised about broker conduct. If someone is not in compliance, the current laws just need to be enforced when there is fraud or misrepresentation. The proposed additional layers of regulation create undue compliance burdens without increased consumer protection benefits. It would create an overwhelming administrative burden for small operators like myself. The compliance costs alone could force many of us out of business, ultimately reducing the resources available to help prospective franchisees navigate their options and avoid fraud. The registration requirements are impractical for an industry where most professionals work with multiple brands across multiple states. The compliance costs and administrative burden would be prohibitive for many legitimate operators.

Thank you for your thoughtful consideration and please consider the intent of the bill

to protect and help consumers. **Clarification of this bill's definition of franchise broker, rather than inadvertently targeting helpful resources, should be of great concern at this point. Thank you for your time.**

Sincerely,
Sharon Strange
Franchise Consultant



[Schedule a virtual
coffee with me!](#)

Sharon Strange

Franchise Consultant

Successful Multi-Unit Owner

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