

From: [Matt Lucas](#)
To: [NASAA Comments](#)
Subject: [EXTERNAL]NASAA Model Franchise Broker Act
Date: Wednesday, August 27, 2025 3:32:02 PM

Dear NASAA Officials,

I am writing to respectfully oppose the proposed NASAA Model Franchise Broker Registration Act. As a small franchise broker with more than a decade of experience helping prospective franchisees identify the right opportunities, I am deeply concerned about the unintended consequences this legislation would have on both my business and the franchising industry as a whole.

Excessive Regulatory Burden

The proposed registration requirements would impose significant administrative and compliance costs on small operators like myself. For many, these requirements could make it financially unfeasible to continue operating, thereby reducing the number of resources available to prospective franchisees who rely on our guidance.

Market Structure Effects

Rather than improving transparency, the Act risks eliminating many small, independent franchise brokers while leaving large, established franchise systems—many of which do not utilize broker services—largely unaffected. This could lead to greater market concentration, reducing competition and limiting franchisee choice.

Impact on Innovation and Market Entry

By raising barriers to entry for brokers, the Act would also raise barriers for emerging franchise concepts seeking to reach the market. This could stifle innovation and reduce competition, ultimately harming both franchisors and franchisees.

Interstate Commerce Concerns

The state-by-state registration framework introduces inefficiencies for businesses that operate across multiple states. This patchwork approach risks creating barriers to legitimate commerce and undermines the principles of economic efficiency and fairness.

Operational Challenges

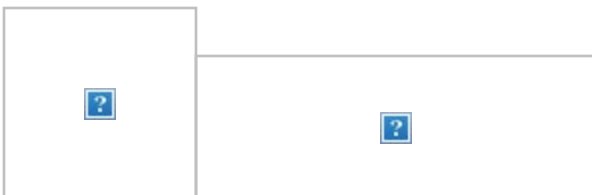
The proposed five-year record retention requirement far exceeds common business and IRS standards, which typically require three years. Extending retention to five years would create unnecessary costs and operational difficulties without clear benefit.

For these reasons, I strongly urge you to reconsider or significantly amend this legislation. Without modification, it threatens to disproportionately harm small businesses like mine that play a vital role in supporting franchisees and strengthening the franchise sector. We've been fortunate enough to help hundreds of candidates navigate the franchise industry. And in doing so, we've been able to help many candidates understand that franchising was not the best option for them. Without quality brokers to assist, franchise candidates will find themselves being 'sold' by the franchisor with no unbiased third party to provide them with guidance.

Respectfully,

Matt Lucas

Co-Founder



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