

From: [Anthony Scarda](#)
To: [NASAA Comments](#); [Theresa Leets](#); bill.beatty@dfi.wa.gov; [Erin Houston](#)
Cc: [Jeff Elgin](#)
Subject: [EXTERNAL]NASAA Model Franchise Broker Act Comments
Date: Wednesday, August 27, 2025 3:16:22 PM
Attachments: [image.png](#)

Dear NASAA Members,

My name is Anthony Scarda, and I have been actively involved in the franchise industry for over a decade. In my work as a franchise consultant and coach, I have had the privilege of helping countless individuals explore business ownership opportunities through franchising. Because of this experience, I am deeply concerned about the proposed Franchise Broker Act and would like to share my perspective.

First, it is important to clarify the role that organizations like Franchise play. My work is limited to providing introductions between prospective franchisees and franchisors. I am not part of the franchise sales process itself; those responsibilities belong to the franchisor's sales staff or their authorized contractors. In this respect, my role is no different than that of internet advertising platforms such as the IFA, Entrepreneur.com, Facebook, or LinkedIn, all of which connect leads to franchisors. For this reason, the overly broad definition of "franchise broker" in the Act, which captures anyone "indirectly" involved in the sales process, does not accurately reflect the work I do. If left unchanged, this language would unintentionally misclassify countless professionals and lead sources who are not selling franchises.

Second, for those who are directly engaged in franchise sales, additional regulation is simply unnecessary. There are already well-established rules at both the federal and state level that govern how franchises are sold. Duplicating these with another layer of requirements would be burdensome, costly, and ultimately counterproductive. The industry does not need more red tape; it needs clarity and enforcement of the regulations already in place.

Third, the idea of each state creating its own rules, fees, and requirements for franchise brokers would create confusion, hardship, and significant compliance challenges. A patchwork of state-level regulations would make it nearly impossible for legitimate operators to work effectively across multiple territories. If further oversight is deemed necessary, it should be handled at the federal level by the FTC to ensure consistency, fairness, and clarity across the country.

In short, the proposed Act, as written, risks sweeping in professionals who are not

engaged in sales, imposes unnecessary and duplicative regulations, and creates a fragmented compliance landscape that benefits no one. A more effective approach would be to enforce existing laws against fraud and misrepresentation and to invest in educational resources that empower prospective franchisees to make informed decisions.

Thank you for your time and consideration. I urge you to reconsider the current language of the Franchise Broker Act to avoid unintended consequences that would harm small businesses, consultants, and, ultimately, the very entrepreneurs we aim to support.

Respectfully,



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