

From: [Ted O'Shea](#)
To: [NASAA Comments](#); [Theresa Leets](#); bill.beatty@dfi.wa.gov; [Erin Houston](#)
Subject: [EXTERNAL]Regarding the NASAA Franchise Broker Act
Date: Thursday, August 28, 2025 9:03:18 AM

Dear Members Of The Group,

My name is Ted O'Shea, and I am a franchise owner and consultant. I have dedicated my career to supporting small business owners, particularly those from immigrant and minority communities, and I've seen firsthand how franchising can be a powerful engine for economic empowerment.

I am writing to express my serious concerns about the potential unintended consequences and negative impacts of the proposed NASAA Model Franchise Broker Act. While I appreciate the goal of protecting prospective franchisees, I believe this Act is based on overly broad definitions and would impose an excessive regulatory burden that would ultimately hurt the very people it seeks to protect.

Key Areas of Concern

The Act's broad definitions could inadvertently sweep up and regulate individuals who provide basic guidance to prospective franchisees, creating a significant and excessive regulatory burden. This would be particularly harmful to small businesses and independent consultants who lack the legal and financial resources to navigate complex registration and compliance requirements.

Furthermore, this Act would have severe economic consequences. By making it more difficult and costly for franchises to expand, it would stifle job creation and reduce economic growth in our state. The increased costs and administrative hurdles would disproportionately affect emerging and smaller franchise systems, limiting their ability to compete and grow.

A significant concern is the potential for this Act to cause harm to consumer choice. If the regulatory environment becomes too prohibitive, many franchise systems may choose to avoid our state altogether. This would limit the number of available business opportunities for prospective franchisees and reduce the diversity of options in the market.

Existing Adequate Regulation

I also believe that there is existing adequate regulation to protect against fraud and deceptive practices in franchising. Both federal and state laws, such as the Federal Trade Commission's Franchise Rule, already provide a robust framework for disclosure and

consumer protection. Adding another layer of complex and redundant regulation is unnecessary and would only create confusion and more red tape.

I urge you to reconsider the need for and the significant cost of this Act. It could severely harm our state's business climate and growth by creating unnecessary barriers for small business owners and limiting opportunities for economic empowerment.

Thank you for your time and consideration of these critical issues.

Best regards,

Ted O'Shea

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