

From: [Rick Bisio](#)
To: [NASAA Comments](#); [Theresa Leets](#); bill.beatty@dfi.wa.gov; [Erin Houston](#)
Cc: [Rick Bisio](#)
Subject: [EXTERNAL]NASAA Model Franchise Broker Act Comments
Date: Wednesday, August 27, 2025 4:09:18 PM

August 27th, 2025

To Whom it May Concern: NASAA Leadership

My name is Rick Bisio. By way of introduction, I have been involved in franchising for over 30 years in franchisor, franchisee and advisory roles. I have spoken at IFA events, am the author of the bestselling book *The Educated Franchise*, co-author of *The Franchisee Playbook*, developer of www.fddexchange.com and www.franchiseresale.com as well as other information portals. I am currently a franchisee with Ellie Mental Health. In addition, I have been a consultant (coach) with FranChoice for over 20 years.

With 30 years of experience in franchising and some historical perspective, I know that a certain degree of disclosure is a good thing. I am a supporter of The Franchise Rule and associate national disclosure requirements. This national disclosure requirement seeks to balance the equation as it relates to the buyer (prospective franchisee) and seller (a franchisor or, potentially, an FSO) in a franchise transaction.

This leads me to the reason for my letter. The Model Registration Act is misguided and demonstrates a fundamental misunderstanding of the role of franchise consultants (Broker).

As a Franchoice Consultant, I am not involved in the franchise sales process – I am simply a lead source for franchise companies. My job is to email contact information to the franchisor. The Franchisor, or, in some cases, the subcontracted Franchise Sales Organization (FSO), engages with the prospective franchisee, delivers information, makes representations, and leads them through a sales process. The process is fully managed by the franchisor or FSO sales staff. I am not a party to any calls, meeting or correspondence between the franchisor sales person and the prospective franchisee. I am simply 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 selling is not my role.

The confusing language in this regulation, designed to label as a broker anyone who is “indirectly” involved in the franchise sales process, such as lead generation organizations, needs to be changed or the unintended consequences will be significant, potentially including anyone who provides leads to a franchisor sales organization.

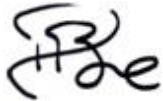
As for people who are involved in the franchise sales process, Franchisors and FSOs, I agree that there are examples where they do not conduct the sales process with the proper level of integrity and ethics. However, new regulations are not needed to address these situations. The FDD already provides clear guidelines regarding what is appropriate and what is not appropriate as it relates to the sales process. In addition, the FDD provides repercussions if those rules are broken. The Model

Registration Act is unnecessary, burdensome, costly and duplicates rules and regulations already in place though the FDD and other regulations.

Finally, advocating for each individual state to create their own rules and fees related to this disclosure process unnecessarily creates confusion and hardship from a compliance standpoint. If we need more regulation of franchise lead sources as it relates to franchise brokers, it should be done by the FTC on a national basis and correctly reflect our role, not as salespeople, but as a source of leads for franchisors.

In summary, there is no valid reason to advocate increasing regulation, disclosure and fees against franchise referral network lead sources by including us in a definition of “Broker” that is confusingly broad and misguided.

Respectfully,

A handwritten signature in black ink, appearing to read 'RB' or 'Bisio', with a stylized flourish at the end.

Rick Bisio
Author and Franchise Coach

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