From: Gene Chayevsky

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 3:04:44 PM

Dear NASAA Comment Committee,

My name is Gene Chayevsky. I am an independent consultant with FranChoice, Inc. I've spent several years in the franchise space, working closely with executives, professionals, and families who are exploring business ownership. My role is to educate and connect people with franchise opportunities that fit their goals. Importantly, I don't sell franchises—I introduce candidates and then step out of the sales process so the franchisor's own sales team can take it from there.

That's why I'm concerned with the current draft of the Model Franchise Broker Act.

From my perspective, the Act, as written, creates some real problems for the industry:

1. The definition is too broad.

The draft sweeps in anyone "indirectly" connected to franchise sales. That would incorrectly label consultants like me—as well as referral partners, funding sources, or even advertising platforms—as "brokers." We are not sellers, and treating us that way misrepresents what we actually do.

2. More rules without more protection.

For those who *do* sell franchises, the proposed requirements add little value. State and federal laws already regulate disclosures and prohibit misrepresentation. Layering new state registration processes on top only adds cost and confusion, with no meaningful consumer benefit.

3. Fifty different versions of the same thing.

Allowing each state to set up its own rules and fees makes things worse. It creates a patchwork of compliance obligations that are costly and difficult to navigate. If additional oversight is needed, it should be handled nationally by the FTC to ensure clarity and consistency.

In my view, this proposal risks creating unintended consequences—sweeping up professionals who provide education or referrals, while imposing heavy costs that could push many of us out of the business altogether. That ultimately reduces the resources available to help prospective franchisees make informed decisions.

I urge you to narrow the definition of "franchise broker" to focus on those directly involved in sales, and to avoid duplicating rules that already exist.

A better solution would be to enforce the current laws and strengthen education for prospective buyers.

Thank you for considering my perspective.

Sincerely,

Gene Chayevsky Independent Consultant I FranChoice, Inc. (815) 595 8396 gchayevsky@franchoice.com

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.