

**From:** [Pete Gilfillan](#)  
**To:** [NASAA Comments](#); [Theresa Leets](#); [bill.beatty@dfi.wa.gov](mailto:bill.beatty@dfi.wa.gov); [Erin Houston](#)  
**Cc:** [Pete Gilfillan](#); [Jeff Elgin](#)  
**Subject:** [EXTERNAL]NASAA Model Franchise Broker Act Comments  
**Date:** Wednesday, August 27, 2025 3:37:51 PM

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Hello,

My name is Pete Gilfillan, and I have proudly served as a franchise consultant with FranChoice for the past 14 years. I am writing to express my serious concerns regarding the proposed regulations and registration requirements that could significantly impact my business and others in the franchise consulting community.

As a franchise consultant, my role is to help prospective franchisees explore opportunities, clarify their goals, educate them about franchising, and introduce them to franchise companies that align with their interests. I do **not** participate in the franchise sales process; that responsibility lies solely with the franchise company's sales representatives.

**My major concerns with the proposed regulations are as follows:**

**1. Overly Broad and Problematic Definitions:**

The Act's current definition of "franchise broker" is far too broad and risks capturing individuals who merely make referrals or provide information, rather than those actively engaged in franchise sales. This could require countless professionals—including myself—to register unnecessarily. Specifically, the definition would inadvertently include:

This lack of precision raises **due process concerns**, as business professionals need clear guidance to understand when registration is required and to avoid inadvertent violations.

- Funding sources and lead generation services paid by franchisors
- Referral sources to the franchisor
- Professional service providers offering ancillary services

**2. Excessive Regulatory and Practical Burden:**

The proposed registration requirements would impose overwhelming administrative and financial burdens on small operators like myself. Compliance costs could be so significant that many legitimate operators would be forced out of business, ultimately reducing the resources available to help prospective

franchisees navigate their options. Furthermore, given that professionals often work with multiple brands across multiple states, the requirements are impractical and potentially prohibitive.

**3. Redundant Oversight:**

Existing state and federal regulations already address legitimate concerns regarding broker conduct. Adding additional layers of regulation would increase compliance burdens without providing meaningful consumer protection benefits.

**4. Alternative Solutions:**

Rather than imposing broad registration requirements, the industry would be better served by:

- Enforcing existing laws against fraud and misrepresentation
- Providing educational initiatives for prospective franchisees

In conclusion, while I strongly support transparency and consumer protection in franchising, the current proposal is **overly broad, duplicative, and unnecessarily burdensome**. I urge you to reconsider the language of the regulation to clearly differentiate between lead sources and actual sales participants, and to centralize any additional oversight at the federal level to ensure clarity, fairness, and consistency.

Thank you for your attention to this matter. I would be happy to provide further insights from my 14 years of experience helping candidates explore franchising opportunities while ensuring compliance with existing rules.

Sincerely,

**Pete Gilfillan**

Franchise Consultant, FranChoice

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