From: <u>Jordon Olson</u>

To: NASAA Comments; Theresa Leets; bill.beatty@dfi.wa.gov; Erin Houston

Cc: <u>Jeff Elgin</u>

Subject: [EXTERNAL]NASAA Model Franchise Broker Act Comments

Date: Wednesday, August 27, 2025 3:33:05 PM

Attachments: <u>Jordon Updated 8.20.25.pnq</u>

Dear NASAA Comment Review Team,

My name is Jordon Olson, and I have been a franchise consultant for 1 1/2 years. In that time, I've worked with many individuals who were exploring franchise ownership. My role is to educate, support, and connect candidates with franchise opportunities — I do not sell franchises. Because of this, I believe it is important that regulators clearly distinguish between consultants like myself and those directly involved in franchise sales.

I have several concerns with the proposed Model Franchise Broker Act:

1. FranChoice consultants are not involved in the franchise sales process.

We are a lead source for franchise companies. We send them leads for prospective franchisees, and the franchisor's sales staff (internal employees or FSOs) then handle the sales process. Consultants like me should not be covered in this definition of franchise sellers, as our role is comparable to internet advertising sites, Entrepreneur.com, or social media platforms that generate leads but do not sell franchises. The current definition is overly broad and risks capturing people who are only indirectly involved, which would have significant unintended consequences.

2. For those who are actually involved in the franchise sales process, this new regulation is unnecessary.

It is duplicative, costly, and burdensome, adding layers of regulation on top of what already exists. Small operators would face overwhelming compliance costs that could ultimately reduce the resources available to help prospective franchisees.

3. Creating different rules on a state-by-state basis will cause confusion and hardship.

If further regulation of franchise sales brokers is needed, it should be done nationally by the FTC. Allowing each state to impose its own registration and fee requirements will create inconsistency, confusion, and unnecessary compliance difficulties for professionals who often work across multiple brands and states.

In summary, I urge NASAA to reconsider this proposal, as it risks sweeping in consultants who are not engaged in sales, duplicates existing oversight, and creates state-by-state confusion that will harm both professionals and prospective franchisees.

Thank you for your consideration.

Sincerely,

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