



STATE OF WASHINGTON  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
SECURITIES DIVISION

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**SMALL BUSINESS ECONOMIC IMPACT SURVEY**

**Concerning the Adoption of the NASAA Statement of Policy Regarding the  
Use of Franchise Questionnaires and Acknowledgments**

**February 15, 2023**

The Securities Division is conducting a survey to determine the economic impact of the potential adoption of the Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments promulgated by the North American Securities Administrators Association, Inc. (“NASAA”). Links to the Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments, the draft rule, and a link to the online survey are included below. Survey results must be received by **March 15, 2023**, to be considered as part of the rulemaking process. **If you are a law firm or organization that represents or works with franchisors, please forward this notice to your franchisor clients or franchisor members.**

On September 18, 2022, NASAA adopted the Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments (“Statement of Policy”). The Statement of Policy sets uniform standards for the proper use of questionnaires and acknowledgments in franchise offerings. Specifically, the Statement of Policy prohibits provisions that would require a prospective franchisee to make statements that are subjective, unreasonable, or that attempt to absolve the franchisor or its agents of liability in connection with the sale of a franchise. These provisions are also inconsistent with the anti-waiver provisions in Washington’s Franchise Investment Protection Act. *See* RCW 19.100.220(2) and RCW 19.100.180(2)(g). It is important to note that the adoption of the Statement of Policy would not represent a material change in requirements for franchise offerings in Washington. However, adoption of the Statement of Policy would aid franchisors in complying with existing Washington law by providing specific examples of prohibited questionnaires and acknowledgments, while also increasing compliance with anti-waiver and anti-fraud requirements across the states with such requirements.

The Securities Division is now considering proposing to amend Chapter 460-80 WAC to formally adopt the Statement of Policy and is conducting a survey to determine the economic impact of the rulemaking on franchisors. Please use the links below to access the Statement of Policy, the draft of the potential rule proposal, and the survey:

- **Statement of Policy:** <https://www.nasaa.org/wp-content/uploads/2022/09/NASAA-Franchise-Questionnaires-and-Acknowledgments-Statement-of-Policy-9-18-2022.pdf>.
- **Draft rule:** <https://dfi.wa.gov/rulemaking/nasaa-statement-policy-regarding-use-franchise-questionnaires-and-acknowledgments>.

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- **Survey:** The survey may be completed online at <https://www.surveymonkey.com/r/WJR7XL6>. For your convenience, a PDF copy of the survey questions is available to review on our website at <https://dfi.wa.gov/rulemaking/nasaa-statement-policy-regarding-use-franchise-questionnaires-and-acknowledgments>.

Please complete the survey no later than **March 15, 2023**, so that it may be appropriately considered as part of the rulemaking process.

If you have questions, please contact the undersigned by telephone at (360) 902-8797 or by email at [Nathan.Quigley@dfi.wa.gov](mailto:Nathan.Quigley@dfi.wa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Quigley". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Nathan Quigley  
Securities Division