



# RULE-MAKING ORDER PERMANENT RULE ONLY

## CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: August 18, 2023

TIME: 8:18 AM

WSR 23-17-115

**Agency:** Department of Financial Institutions, Securities Division

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** The Securities Division hereby amends Chapter 460-80 WAC to adopt the Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments promulgated by the North American Securities Administrators Association, Inc. ("NASAA"). 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. 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 Franchise Investment Protection Act's anti-waiver provisions. 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 does not represent a material change in requirements for franchise offerings in Washington. However, adoption of the Statement of Policy will 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.

**Citation of rules affected by this order:**

New: WAC 460-80-325

Repealed: N/A

Amended: N/A

Suspended: N/A

**Statutory authority for adoption:** RCW 19.100.250

**Other authority:** None

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 23-10-048 on April 28, 2023 (date).

Describe any changes other than editing from proposed to adopted version: None

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	___	Amended	___	Repealed	___

**The number of sections adopted at the request of a nongovernmental entity:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted on the agency's own initiative:**

New	<u>1</u>	Amended	___	Repealed	___
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	<u>1</u>	Amended	___	Repealed	___
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**The number of sections adopted using:**

Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	___	Repealed	___

**Date Adopted:** 8/18/2023

**Name:** Charlie Clark

**Title:** Director

**Signature:**

