

Maryland Franchise Disclosure Document (FDD) Renewal Fast-Track Review Pilot Program (Fast-Track Program)

Securities Division Franchise Unit

Melanie Senter Lubin, Securities Commissioner

Tade Osikomaiya, Senior Assistant Attorney General

Dale Cantone, Assistant Attorney General

Johanna Interian, Assistant Attorney General



Agenda

- ❖ Goals
- ❖ Eligibility
- ❖ Logistics
- ❖ Filing Deadlines
- ❖ Review Process
- ❖ Questions?

Goals of the Fast-Track Program

- From March to May, the Securities Division receives a high volume of franchise renewals and exemptions (due to the FTC annual updating requirement) and must also review any initial franchise registration applications received by each filing's statutory deadline.
 - In 2025, of the 1,884 franchise applications filed in Maryland through September 30, 2025, fewer than 0.1% were filed January–February 2025 and approximately 72% were filed March–May 2025 (41% filed in April 2025 alone).
 - In 2024, of the 1,954 franchise applications filed in Maryland, fewer than 0.1% were filed January–February 2024 and approximately 65% were filed March–May 2024 (35% filed in April 2024 alone).
- By encouraging franchisors to submit renewal applications earlier in the year, the Fast-Track Program aims to **reduce the volume of applications received March through May** and to enable franchisors' renewal filings to be **registered earlier in the year**.

Eligibility Requirements

- The Fast-Track Program allows eligible franchisors to file the franchise renewal by **February 1** without Item 21 (financial statements), cure any deficiencies, and submit the Completed Renewal FDD (incorporating Item 21) by **April 10**.
- Franchisor's FDD must be **currently registered** in Maryland at the time of the renewal filing (i.e., by the February 1 deadline).
 - Fast-Track Program is **not** available for exemption, initial or initial refile franchise filings.
- Franchisor's **fiscal year end** must be between **December 24 and January 7**.
- The franchisor must **not be subject to a pending investigation or enforcement matter** with the Securities Division at the time of application or during the duration of the fast-track review.
- The Securities Division reserves the right to reject or remove any FDD filing from the Fast-Track Program at any time.

Logistics

- Franchisors file via NASAA's Franchise Electronic Depository (FRED) at <https://www.nasaaefd.org/> or by mailing the required materials as PDF files on a CD-ROM to the Securities Division at Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202.
- If a franchisor is removed from or not accepted into the Fast-Track Program for any reason, or fails to meet a filing deadline, the application will be moved to the regular renewal process and be reviewed by the Securities Division in the order in which it enters the review queue.
- No additional filing fees for the Fast-Track Program.
 - Franchisors pay the regular \$250 renewal fee upon submitting the renewal application for the Fast-Track Program.

Filing Deadlines

- By **February 1**, the Franchisor must submit:
 - Cover letter opting into the Fast-Track Program;
 - All forms required for a renewal, **excluding** the Consent of Accountant (Form F) and the Certification section of the Uniform Franchise Registration Application (Form A);
 - Full clean FDD;
 - Full Marked FDD blacklined against currently registered FDD in Maryland; and
 - \$250 franchise renewal fee.
- FDD filed by the February 1 deadline must include all required disclosures **except:**
 - Item 21 should be left blank and any related disclosures may be updated when the audited financial statements are available; and
 - Issuance date on the FTC cover page should be left blank.

Filing Deadlines (cont.)

- Between the first FDD submission (due by February 1) and the Completed Renewal FDD (due by April 10), the [Franchisor must adhere to any deadlines set forth in Securities Division comment letter\(s\)](#) to cure any deficiencies to remain in the Fast-Track Program.
- By **April 10**, the Franchisor must submit:
 - Full clean Completed Renewal FDD;
 - Marked Pages of the Completed Renewal FDD blacklined against the last version reviewed by the Securities Division;
 - Consent of Accountant (Form F); and
 - Certification section of the Uniform Franchise Registration Application (Form A).
- FDD filed by the April 10 deadline must include:
 - Item 21 audited financial statements and any related disclosures in the FDD;
 - Same issuance date on the FTC cover page as the Consent of Accountant and Certification page; and
 - No other significant material changes from the last version reviewed by the Securities Division.

Review Process: Clarification on Significant Material Changes

- The Securities Division will consider the totality of the circumstances to determine if changes to the FDD after the initial review are significant material changes, with the dual aims of enabling the Fast-Track Program to run **efficiently** and to **prevent abuse** of the Fast-Track Program.
- The Securities Division will consider factors such as:
 - whether the franchisor could have anticipated the change(s) before initially submitting the renewal FDD;
 - the substantive nature of the changes and/or whether the changes may fundamentally alter the franchise offering;
 - whether the changes warrant enhanced disclosure;
 - the number of changes made; and
 - other factors that may be considered relevant at the discretion of the Securities Division.



Links for Reference

- [Maryland Fast-Track Program Guidelines](#)
- [FAQs for the Maryland Fast-Track Program](#)
- [Maryland Franchise Registration and Disclosure Law](#)
- [FTC Amended Franchise Rule](#)



Questions?