June 14, 2021

Memorandum to: William E. Bestani

Policy Analyst

Office of Information and Regulatory Affairs

Office of Management and Budget

Executive Office of the President

From: Manny Cabeza

Regulatory Counsel

Assessments and Legislation Group

Legal Division

Federal Deposit Insurance Corporation

RE: Breaking Down Barriers: Reaching the Last Mile of Unbanked U.S. Households Tech Sprint (Prize Competition)

The FDIC is requesting approval to run a prize competition under its currently approved “Generic Clearance for Prize Competition Participation” (OMB Control Number 3064-0211).

*Background and Description*: The FDIC recently published “How America Banks”[[1]](#footnote-1), the agency’s latest survey of household use of banking and financial services. This study found that while nearly 95 percent of U.S. households were banked (i.e., had a bank or credit union account) in 2019, more than seven million households were unbanked, lacking even the most basic checking account. Given the challenges reaching the ‘last mile’ of unbanked households, and acknowledging that community banks are uniquely positioned to meet the needs of this population but also often lack access to data and resources, the FDIC seeks tech sprint participants to help answer the question: “Which data, tools, and other resources could help community banks meet the needs of the unbanked population in a cost effective manner, and how might the impact of this work be measured?”

*The Event*: The prize competition will be administered by the FDIC’s Tech Lab, FDiTech. The persons and entities invited to participate include: (i) representatives from institutions supervised by the FDIC, (ii) financial institution trade associations, (iii) consumer group representatives, (iv) subject matter experts from think-tanks and consultancies, (v) private sector companies, (vi) students and academics, and (vii) other members of the general public. Registration for the competition will be required and participants are encouraged to self-organize into teams. Once registration closes, the FDIC will review all submissions and will use a selection criteria to select a subset of applicants to participate in the Tech Sprint (Phase II). Registration occurs during the application phase during which the respondents will be asked to identify themselves by providing the names and contact information for the team members, team name, affiliations (if any), the team’s general area of expertise, some general information about the problem to be addressed, the types of data and models they anticipate using and other factors or information that would be useful to FDIC in determining which applicants to invite to participate in phase 2 of the competition. Participants who are selected will be notified and invited to a Kick-Off meeting and then will work on their determined solutions for a period of approximately three weeks. Participants will present their solution at a demonstration day to a panel of evaluating experts. The prize competition will run from approximatelyJune 28, 2021 through August 13, 2021 and the estimated burden associated with the event is as follows:

**Application (Phase I) - Registration Form Hours**:

Estimated number of respondents 100

Estimated time to respond 1 hour

Total Estimated Phase I Annual Burden 100 hours

**Tech Sprint (Phase II)-Event Hours:**

Estimated number of respondents 50

Estimated time per response:

* Kick-Off Meeting 1 Hour
* Development and Presentation 59 Hours

Total estimated time per response 60 Hours

Total Estimated Phase II Annual Burden 3000 Hours

**Phase I and Phase II Total Estimated Annual Burden 3100 Hours**

If you have any questions, please let me know. Thank you for your consideration.

1. https://www.fdic.gov/analysis/household-survey/index.html [↑](#footnote-ref-1)