

Startup in a Day Prize Competition – Frequently Asked Questions (FAQs)

Q: *What is the Startup in a Day initiative?*

A: The President remains focused on doing everything he can to spur economic growth and create more jobs, and in particular to encourage entrepreneurship, given its important role in growing our economy and strengthening our competitiveness. One challenge that entrepreneurs and small businesses face is the complexity of identifying and applying for the various federal, state, and local regulatory approvals required to begin operating.

After consulting with experts in the private and public sectors, the White House is launching an entrepreneur-focused initiative called Startup in a Day. The goal is to make it easier for entrepreneurs to understand and obtain the local licenses and permits they need to responsibly start a business. To that end, this initiative has been developed to encourage cities and other jurisdictions to announce their public commitment to provide entrepreneurs with online tools that allow them to discover and begin to apply for most licenses and permits within 24 hours.

Q: *What is the purpose of the Startup in a Day prizes?*

A: The U.S. Small Business Administration has announced the 2015 Startup in a Day Competition, pursuant to the America Competes Act, to spur the development, implementation, and improvement of online tools that will let entrepreneurs learn about the business startup process in their area, including how to register and apply for all required local licenses and permits – all in one day or less.

Q: *What is the difference between the “Start Small” and “Dream Big” Models?*

A: The “Start Small” prizes are designed to spur the development, implementation, and improvement of online tools that will let entrepreneurs learn about the business startup process in their area, including how to register and apply for all required local licenses and permits, in one day or less. The “Dream Big” prize(s) support this same goal, but challenges cities and Native American communities to develop an open source solution that may be freely adopted by localities across the United States. An “open source” solution is software that can be freely used, changed, and shared (in modified or unmodified form) by anyone¹ and complies with generally accepted criteria for distribution outlined by the Open Source Initiative (for this criteria, see <http://opensource.org/docs/osd#fields-of-endeavor>).

Q: *What is the submission period for the Startup in a Day prizes? When should winners expect to hear of their status?*

A: The submission period for entries begins 12:00 p.m. EDT, June 11, 2015 and ends July 13, 2015 at 11:59 p.m. EDT. Winners will be announced no later than August 31, 2015.

¹ Open Source Initiative, Welcome to The Open Source Initiative, Palo Alto, CA: Open Source Initiative. Accessed June 2, 2015, <http://opensource.org/>.

Q: *Who is eligible to apply for Startup in a Day prizes?*

A: This Competition is open only to the local governments of United States cities (referred to as municipalities and townships by the U.S. Census Bureau²) or American Indian, Alaska Native, or Native Hawaiian communities, or their constituent agencies and subdivisions. No city or Native American Community that is currently suspended or debarred by the Federal government is eligible to take part in this Competition.

Q: *Can cities or Native American communities submit more than one entry to the Startup in a Day competition?*

A: No city or Native American Community may submit more than one entry to the Startup in a Day Competition – Start Small or Dream Big Models. However, cities and Native American Communities are allowed to apply to both the Startup in a Day Competition – Start Small Model and to the Startup in a Day Competition – Dream Big Model. Cities and Native American Communities must submit a separate application for each competition. However, please note that a city or Native American Community cannot win a prize under both announcements. If a city or Native American Community is a finalist for both competitions, the city or Native American Community will be awarded the larger prize.

Q: *What is the National League of Cities (NLC) involvement with the Startup in a Day initiative?*

A: In order to maximize the success of this Competition, SBA has formed a Strategic Alliance Memorandum with the National League of Cities (NLC), an advocacy organization representing thousands of municipalities, to establish a formal mechanism by which all Startup in a Day Competition winners will be able to collaborate and share best practices. For more information on NLC, please visit www.nlc.org.

Q: *What is the Startup in a Day pledge?*

A: The pledge is as follows:

Our cities and communities are committed to making it easier for every entrepreneur to start a business. We believe an entrepreneur's time is best spent developing innovative products and services, creating jobs, and growing local economies—not navigating red tape. While fair zoning rules, licenses, and permits are important to ensuring public safety and fair competition, it shouldn't take more than a day for entrepreneurs to identify and begin to apply, ideally through a single online tool, for the licenses and permits they need to responsibly launch a business. Accordingly, we resolve to:

1. ***Create a “Startup In A Day” online tool within 12 months:*** *We will develop within a year a website or application that lets most entrepreneurs identify and begin to apply within one day for all requirements to launch a business in our respective communities.*

² U.S. Census Bureau, Governments Division, [Lists and Structure of Governments](http://www.census.gov/govs/go/municipal_township_govs.html), Washington, D.C.: U.S. Census Bureau. Accessed May 18, 2015, http://www.census.gov/govs/go/municipal_township_govs.html.

2. ***Develop a streamlined, business-friendly, online permitting system:*** *Our pledge is a first step in a larger effort to streamline, simplify, and bring online those regulatory requirements that have traditionally been fragmented across multiple agencies and handled through a paper-based process. Our ultimate goal is for small business owners to be able to manage and complete most of their regulatory obligations within a single easy-to-use online system.*

3. ***Share best practices:*** *In an effort to encourage other municipalities to join us in this effort, we are joining a community of practice administered by the National League of Cities, and commit to sharing best practices, publicizing key learnings, highlighting tangible outcomes, supporting smart regulatory simplification, and providing visibility into our actions.*

Q: *Must the Startup in a Day pledge be taken in order to apply for prizes?*

A: While it is not required to enter this Competition, all cities and Native American Communities are encouraged to take the pledge. Entries submitted by cities and Native American Communities that do take the pledge will receive five (5) bonus points during the evaluation process. All winners will be required to take the pledge prior to receiving their prizes.

Q: *Which communities are eligible to receive priority points in the competition?*

A: An aim of this competition is to stimulate economic development in certain Priority Communities. For purposes of the Startup in a Day Competition – Start Small Model, Priority Communities are those cities that fall into one or more of the following categories:

- **Rural/Non-Metropolitan:** Cities having a population of less than 50,000. Please reference <http://quickfacts.census.gov/qfd/index.html>.
- **High Poverty:** Cities where 20 percent or more of residents are below the poverty level. Please reference <http://quickfacts.census.gov/qfd/index.html>.
- **Veterans Economic Community:** Being an official participant in the Veterans Economic Communities Initiative. To view the list of participating cities, please go to <http://www.blogs.va.gov/VAntage/20015/va-launches-campaign-increase-veterans-economic-potential/>
- **Promise Zone:** Being officially designated as a Promise Zone. To view the list of designated Promise Zones and lead organizations, please go to www.hud.gov/promisezones.

Under the Startup in a Day Competition – Start Small Model, prizes for Native American Communities are being funded and scored separately and are not eligible for Priority Community consideration. However, both cities and Native American Communities are eligible for additional points for agreeing to the Startup in a Day Pledge.

Q: *How many potential priority points can an applicant receive?*

A: An applicant can receive up to five (5) points for each eligible Priority Community to be served, for up to two communities (for a potential of up to ten (10) points total). Additionally, five (5) points will be awarded to applicants who agree to the Startup in a Day Pledge at the time of application. Thus, a maximum of fifteen (15) priority points may be awarded.

Q: *Our city or Native American Community would like to partner with another entity or entities to develop and implement our proposed Startup in a Day solution. Is this permissible and what are examples of potential partnerships?*

A: In order to implement a Startup in a Day solution, we expect that some applicants may need to form partnerships. These partnerships may include developing relationships with private sector companies who specialize in preexisting technology solutions aimed at problems the Startup in a Day initiative looks to address. We also encourage cities and Native American Communities to develop partnerships with other localities (such as the State or local counties) to develop one, holistic solution for entrepreneurs in a regional area.

Q: *How can an applicant submit an entry for the Startup in a Day Competition?*

A: Contestants in the Startup in a Day Competition must submit their entries online using the link designated for that purpose on challenge.gov, either by filtering search criteria to “Small Business Administration” or going to sba.gov/startup, where the link will be posted. In addition to the basic details collected in that short application form, contestants must also complete and submit via challenge.gov a proposal and attachments that addresses all of the items identified in the competition notices.

Q: *How will payments for the Startup in a Day Competition be disbursed and what are the reporting requirements for the “Start Small” Model?*

A: Because the subject of this competition is not just the development of online tools to streamline the business startup process, but also the implementation and improvement of such tools, prizes will be disbursed in two payments. The first payment, equal to 80 percent of a winner’s total prize amount, will be disbursed once all requirements of winners (i.e. taking the Startup in a Day pledge, etc.) have been met. The remaining 20 percent of the total prize amount will be disbursed after a winner submits a written assessment that includes, but is not limited to, the outcomes and outputs of its Startup in a Day activities as measured by the metrics outlined in its proposal, a summary of any lessons learned and best practices, and suggestions for any improvements to the design or implementation of similar competitions in the future. Winners must base this assessment on a period of live operation of their Startup in a Day web tools that is at least six (6) months and no more than twelve (12) months in length.

Regardless of the length of the period of operation on which they are based, the written assessment must be submitted to SBA no later than 15 months after a winner receives its first prize payment. The written assessments, or portions thereof, may be made public. Further

guidance regarding the format and means of submission of these assessments will be provided to winners prior to their acceptance of prizes.

Q: *How will payments for the Startup in a Day Competition be disbursed and what are the reporting requirements for the “Dream Big” Model?*

A: Because the subject of this competition is not just the development of online tools to streamline the business startup process, but also the implementation and improvement of such tools, prizes will be disbursed in three payments. The first payment, equal to 60 percent of a winner’s total prize amount, will be disbursed once all requirements of winners (i.e. taking the Startup in a Day pledge, etc.) have been met. The second payment, equal to 20 percent of a winner’s total prize amount, will be disbursed after a winner has presented a demonstration of its open source solution to SBA and Agency staff has deemed that solution satisfactory. This demonstration must be presented within six (6) months of the date of the award unless otherwise specified by the SBA. The remaining 20 percent of the total prize amount will be disbursed after a winner submits a written assessment that includes, but is not limited to, the outcomes and outputs of its Startup in a Day activities as measured by the metrics outlined in its proposal, a summary of any lessons learned and best practices, and suggestions for any improvements to the design or implementation of similar competitions in the future. Winners must base this assessment on a period of live operation of their Startup in a Day web tools that is at least six (6) months and no more than twelve (12) months in length.

Regardless of the length of the period of operation on which they are based, the written assessment must be submitted to SBA no later than 15 months after a winner receives its first prize payment. The written assessments, or portions thereof, may be made public. Further guidance regarding the format and means of submission of these assessments will be provided to winners prior to their acceptance of prizes.

Q: *If my city or Native American Community is awarded a prize, am I required to travel to an event or reception?*

A: No travel will be required of winners.

Q: *Who should applicants contact for further information?*

A: Applicants should contact the U.S. Small Business Administration, “Startup in a Day” – Intergovernmental Affairs, 409 Third Street, SW, DC 20416, (202) 205-7364, startup@sba.gov.