

**Table 2. U.S. Regulatory Sandbox Programs**

Sandbox and Regulator	Year Opened	Duration	Number of Firms	Legislative Basis	Focus of Sandbox	Type of Regulatory Relief
Compliance Assistance Sandbox, Consumer Financial Protection Bureau (CFPB)	2019	Two years expected; possible extension <sup>46</sup>	3	Sandbox created using the CFPB's regulatory authority <sup>47</sup>	Financial services	"Safe harbor for testing innovative products and services for a limited period of time" <sup>48</sup>
Trial Disclosure Sandbox, CFPB	2019	Two years expected; possible extension <sup>49</sup>	0	Sandbox created using the CFPB's regulatory authority <sup>50</sup>	Financial services	"Safe harbor for testing for a limited period of time disclosures that improve upon existing disclosures, while sharing data with the Bureau." <sup>51</sup>
Arizona FinTech Sandbox, Arizona Office of the Attorney General	2018	Two years; may be extended by up to another year	11	AZ House Bill 2434	Financial services	Permission to test innovative financial products and services on a limited basis without licensure and/or authorization
Arizona Real Estate Sandbox, Arizona Commerce Authority	2019	Two years	0	AZ House Bill 2673	Real estate	Permission to test innovative property products and services on a limited basis without licensure and/or authorization
Florida FinTech Sandbox, Office of Financial Regulation	2021	Two years; may be extended by up to another year	0	FL House Bills 1391 and 1393	Financial services	Exemption from certain rules during the sandbox test
Hawaii Digital Currency Sandbox, Digital Currency Innovation Lab; Division of Financial Institutions (DFI)	2020	Initially set to expire on June 30, 2022 (subsequently extended until June 30, 2024) <sup>52</sup>	16	Sandbox created using the DFI's regulatory authority <sup>53</sup>	Digital currencies	No action letter that allows companies to conduct business without obtaining a state money transmitter license
Kentucky Insurance Sandbox, Department of Insurance	Enacted 2019	One year (can be extended by another year), following which an extended no-action letter might be granted	0	KY House Bill 386	Insurance	Limited no-action letter for conducting a beta test, which can result in an extended no-action letter
Nevada FinTech Sandbox, Department of Business and Industry	2020	Two years; may be extended by up to another year	0	NV Senate Bill 161	Financial services	Permission to test innovative products and services without meeting certain regulatory and state licensing requirements
North Carolina Sandbox, Innovation Council; Office of Commissioner of Banks; Department of Insurance	Not yet operational (as of November 2021)	N/A	Not yet operational	NC House Bill 624 <sup>54</sup>	Financial services; insurance	Permission to test innovative products and services without meeting certain regulatory and state licensing requirements
South Dakota Insurance Sandbox, Division of Insurance	2021	Up to two years	0	SD Senate Bill 55 <sup>55</sup>	Insurance	Permission to test innovative insurance products and services on a limited basis without state licensure or authorization
Utah FinTech Sandbox, Department of Commerce	2019, repealed effective May 4, 2022	Two years; may be extended by up to six months	0	UT House Bill 378	Financial services	Permission to test innovative products and services on a limited basis without state licensure or authorization

Utah Insurance Sandbox, Department of Insurance	Enacted 2020, repealed effective May 4, 2022	One year; may be extended by up to six months	0	UT House Bill 402	Insurance	Permission to test innovative insurance products and services on a limited basis without state licensure or authorization
Utah General Regulatory Sandbox, Utah Office of Regulatory Relief	Enacted 2021	One year; may be extended by up to another year	Operational (as of July 2022)	UT House Bill 217	Multiple sectors (including financial services, advanced manufacturing, and life sciences and health care)	The sandbox provides “legal protections and limited access to the market in the state to demonstrate an innovative offering without obtaining a license or other authorization.” <sup>56</sup> It also enables sandbox companies to provide an “offering under a waiver or suspension of one or more state laws or regulation” <sup>57</sup>
Utah Legal Sandbox, Office of Innovation, Utah Supreme Court	2020	Usually two years	31	UT Supreme Court Standing Order No. 15 (no corresponding legislation)	Certain legal services	The sandbox allows “individuals and entities ... to offer nontraditional legal services to the public through nontraditional providers or traditional providers using novel approaches and means” <sup>58</sup>
Vermont Insurance Sandbox, Department of Financial Regulation	2020	One year; may be extended by up to another year	0	VT Senate Bill 131	Insurance	Waiver of regulatory and statutory requirements during the sandbox test if these requirements prevent the product or service from being offered
West Virginia Financial Technology Sandbox, Division of Financial Institutions	2020	Two years; may be extended by up to another year	1	WV House Bill 4621	Financial services <sup>59</sup>	Permission “to temporarily test an innovative product or service on a limited basis” without state licensure or authorization <sup>60</sup>
West Virginia Insurance Sandbox, Insurance Commissioner	2021	Three years; may be extended by another year, after which an extended no-action letter might be granted	0	WV House Bill 2221	Insurance	Limited no-action letter for new innovative insurance products or services, potentially resulting in an extended no-action letter
Wyoming Financial Technology Sandbox, Secretary of State	2020	Two years; may be extended by up to another year	0	WY House Bill 57	Financial services	Waiver of regulatory and statutory requirements during the sandbox test if these requirements prevent the product or service from being offered
Wyoming Financial Technology Sandbox, Division of Banking	2020	Two years; may be extended by up to another year	0	WY House Bill 57	Financial services	Waiver of regulatory and statutory requirements during the sandbox test if these requirements prevent the product or service from being offered
Wyoming Medical Innovation Sandbox, Department of Health	Seemingly not operational	Two years; may be extended by another year	Does not appear to be operational	WY Senate File No. 156	Medical digital assessment technology	Waiver of regulatory and statutory requirements during the sandbox test if these requirements prevent the product or service from being offered

Source: Publicly available information and author correspondence with regulators.<sup>61</sup>