

**FOR IMMEDIATE RELEASE**

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## Center for Rural Pennsylvania Hosts Roundtable Discussion on Rural CDFI Funding

**WILLIAMSPORT** – The Center for Rural Pennsylvania Board of Directors recently hosted a roundtable discussion at the Pennsylvania College of Technology in Williamsport on increasing Community Development Financial Institutions (CDFI) funding in rural areas. The Center for Rural Pennsylvania has examined data from the CDFI Fund to evaluate the degree to which rural Pennsylvanians are benefiting from these valuable services, particularly business loans.

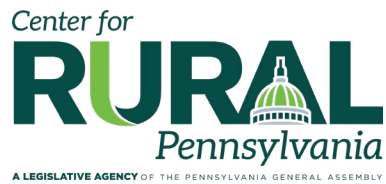
“CDFIs provide a valuable service in supporting economic growth and stability in communities across the United States,” said Senator Gene Yaw, Center for Rural Pennsylvania Board of Directors Chairman. “The Center’s research findings suggest business CDFI loans are much more common in urban counties than rural counties in Pennsylvania.”

According to the CDFI Fund, a program of the U.S. Department of the Treasury, CDFIs are certified financing entities “offering affordable financial products and services that meet the unique needs of economically underserved communities.” They provide low-interest business loans for first-time home buyers, for small business creation and support, and to help consumers rebuild their credit scores.

“We are grateful to the Center for Rural PA for conducting this research,” said Abbi Peters, COO of the PA Wilds Center and Co-Founder of the Wilds Cooperative of PA. “Community Development Financial Institutions (CDFIs) play a significant role in providing loans and building credit in underserved areas. The findings reveal that CDFI lending and services are insufficient in rural communities throughout the Commonwealth, including the PA Wilds. The findings of this study may also serve as a reference point for policymakers, industry players, and other stakeholders concerned with enhancing financial inclusion in rural communities.”

The analysis examined three federal fiscal years: FY 2018, FY 2019, and FY 2021. The year 2020 was analyzed separately due to the impact of federal and state spending in response to the COVID-19 pandemic. The Center also evaluated loans that crossed county or state lines in a separate analysis.

Additionally, 19 rural counties, over one-third of all rural counties, did not receive a business CDFI loan in FY 2018, FY 2019, or FY 2021. While significantly fewer loans were provided to rural businesses, loans issued to rural businesses were of a higher value than those received by urban businesses. Compared to other states, Pennsylvania businesses received fewer CDFI loans, overall. Across the United States, rural businesses received 27 percent of the CDFI loans and urban businesses received 73 percent. However, the loan values were more evenly distributed.



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Forty-five percent of the loan value (\$15.1 billion) went to rural businesses and 55 percent (\$18.3 billion) went to urban businesses.

“The research findings indicate that CDFI support in rural Pennsylvania is disproportionately lower than what population, economic output, or poverty indicators would predict,” said Dr. Kyle Kopko, Center for Rural Pennsylvania Executive Director. “These findings present an opportunity to discuss how policymakers can better support CDFI activity throughout the Commonwealth and increase access to capital in rural communities.”

Read the Center’s full report, [Community Development Financial Institutions in Pennsylvania](#).

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