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Governor Josh Shapiro Opens Application for Historically Disadvantaged Businesses to Access \$10.5 Million in Eligible Funding

Eligible small diverse businesses can apply for funding grants to assist with working capital, inventory, equipment, marketing, and costs to support ongoing operations.

Harrisburg, PA – Today, **Governor Josh Shapiro** is delivering on a major budget priority, opening the application window for small diverse businesses across the Commonwealth to apply for a total of \$10.5 million in federal American Rescue Plan Act (ARPA) funding.

Grants ranging from \$2,500 to \$10,000 will be awarded to historically disadvantaged businesses that were in operation on or before March 17, 2020, and were impacted economically by COVID-19. All applications submitted between February 5 and February 23, 2024, will be considered for funding.

“Since day one, I have advocated for long-overdue funding for women and minority-owned businesses across this Commonwealth, to support their growth and open new doors of opportunity. Today, we make good on that promise,” said **Governor Josh Shapiro**. “I want every business owner to know that my Administration values what you bring to the table, and that we are committed to breaking down barriers to progress and helping you build generational wealth. In Pennsylvania, we are open for business – and we are working to build a Commonwealth where everyone can find and capitalize on real opportunities to grow and thrive.”

The [Pennsylvania Community Development Financial Institutions \(CDFI\) Network](#) will manage the funding grant awards to historically disadvantaged small businesses, which are defined through this program as minority businesses generating annual revenues of \$1 million or less and employing fewer than 25 full-time equivalent employees.

Additional program priorities are in place for small businesses located within low-income census tracts, high-crime municipalities, and are located in the following designated areas: [Commercial Corridors \(Philadelphia\)](#), [Neighborhood Business Districts \(Pittsburgh\)](#), [Allegheny Together Communities \(Allegheny County\)](#) and [active Main Street Program areas \(statewide\)](#).

“Pennsylvania is open for business and the Shapiro Administration is committed to making sure that everyone has the same opportunities for success,” said **Department of Community and Economic Development Secretary Rick Siger**. “It’s vital to

support small, minority-owned businesses because when they succeed, communities thrive, and Pennsylvania's economy grows."

These ARPA grant funds may be used for, but are not limited to: working capital, inventory, equipment, safety and security equipment, marketing, and costs to support the ongoing operation of the business.

"I'm pleased to see the application window open for a new round of historically disadvantaged business grants," said **Senator Vince Hughes**. "Senate Democrats and I worked hard with other lawmakers to launch this program during the pandemic and the continued investment of \$20 million will support minority, women, and veteran-owned businesses in Pennsylvania. This investment is going directly into the hands of hard working small businesses like barbershops and beauty salons, who have historically faced more barriers to business growth and success than their peers."

An additional \$8.5 million in [ARPA funding](#) will be provided for technical assistance and business development through the CDFIs and other partner organizations.

"The negative economic impact of the COVID-19 pandemic consistently persists for small businesses, particularly in our low to moderate income communities across Pennsylvania," said **Varsovia Fernandez, CEO, PA CDFI Network**. "Historically disadvantaged small business grants and technical assistance services will help unleash the potential of black and brown businesses to build a more equitable and inclusive economy by improving cash flow and stabilizing the foundation to invest and grow. Teaming up with Senator Hughes and Governor Shapiro to make these funds available strengthens our partnership with the Shapiro Administration to help small businesses thrive across the Commonwealth."

Before beginning an application, potential applicants should visit the [PA CDFI Network's](#) program landing page to review the program guidelines, connect with technical assistance partners, Frequently Asked Questions (FAQ), and the link to submit an application.

Funding for historically disadvantaged businesses has traditionally been provided in Pennsylvania through federal programs like ARPA. Recognizing the importance of investing in the Commonwealth's small minority-, women-, and veteran-owned businesses, Governor Shapiro [successfully secured first-time state funding for the Historically Disadvantaged Business program](#) in the 2023-24 budget. The new state-funded Historically Disadvantaged Business program will open this year.

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