

Get to know the FHLBanks and their role in the U.S. Financial System

DID YOU KNOW?

The Federal Home Loan Banks give millions of dollars for affordable housing and community development each year through voluntary spending programs.

HOW DOES IT WORK?



- Each FHLBank is required by law to contribute 10% of net income to affordable housing.
- The FHLBanks also develop and maintain voluntary grant programs that are designed to meet the unique needs of each district.
 - These programs support housing development, homeownership, small businesses, disaster relief efforts, and other community development needs, and include donations to food banks, home repair services for the elderly, support for veterans, and legal aid services.
 - The flexibility of voluntary spending allows the FHLBanks to be innovative and rapidly deploy funding to meet specific community needs, expanding the reach of FHLBank members beyond statutorily required programs.
- Over the past two years, the FHLBanks have created nearly three dozen new voluntary and pilot programs to meet community needs in their districts.
- Examples of voluntary program expenditures include:
 - FHLBank Dallas provided \$1.5 million in 2023 to assist 116 homeowners in receiving fortified roofs. Funding in 2024 for this voluntary program was increased to \$4 million.
 - FHLBank Topeka created the Native American Housing Initiatives grant program in 2023, with initial funding of \$1 million, later increased to \$3 million due to the influx of applications.
 - FHLBank Pittsburgh contributed \$3.5 million to the Home4Good program in 2023, providing funding for homelessness service providers – more than double its 2022 contribution.

The FHLBanks contributed \$180 million to voluntary program spending in 2023.

The FHLBanks expect to double their voluntary program spending in 2024!