

United States Senate

WASHINGTON, DC 20510-2509

March 23, 2026

Mr. William J. Lansing
Chief Executive Officer
Fair Isaac Corporation
5 West Mendenhall, Suite 105
Bozeman, MT 59715

Dear Mr. Lansing:

As Chairman of the Senate Judiciary Subcommittee on Crime and as a member of the Subcommittee on Antitrust, Competition Policy, and Consumer Rights, I am investigating Fair Isaac Corporation's pricing practices in the mortgage credit scoring market.

FICO dominates the credit scoring market with a product used by 90% of lenders, potentially commanding an even larger market share for first-time home buyers. FICO reinforces that position through its status for decades as the only credit score accepted for conforming mortgage loans sold to Fannie Mae and Freddie Mac, despite the long-delayed promise of another competitor entering the market. Rather than competing on price, FICO has leveraged this market position to impose a pattern of extraordinary price increases. Over the past five years, FICO has raised its per-score wholesale royalty for mortgage originations from \$0.60 to \$10.00—a sixteen-fold increase. For 2026, FICO doubled its per-score price from \$4.95 to \$10.00 for the identical product offered the prior year. This increase alone has the potential to raise mortgage credit score costs across the industry by approximately \$500 million.

FICO's market dominance was not built solely through innovation. It was cemented by a regulatory framework that, for nearly three decades, required lenders selling to the government-sponsored enterprises to exclusively use FICO scores. FICO has characterized its historical pricing as "underpriced," yet the company's financial performance tells a different story. FICO's total revenue reached nearly \$2 billion in fiscal year 2025, with the Scores segment alone generating \$1.17 billion at operating margins of approximately 88%. The company's net income has grown from approximately \$200 million in fiscal year 2019 to approximately \$652 million in fiscal year 2025. FICO's cumulative total shareholder return under your tenure reportedly exceeds 5,333%. Your own total compensation has risen above \$35 million. You have candidly acknowledged that the company's price increases produced "a big increase in price, in profit, revenue margin, all those things."¹

These price increases are most damaging to the Americans who can least afford them. First-time homebuyers bear a disproportionate burden of the cost. They typically undergo multiple credit checks during the home-buying process—at prequalification, at formal application, and often again before closing—and frequently pay for credit pulls on applications that do not result in a funded loan. Each

¹ "How FICO Scores Became a Profit Machine," Forbes (Mar. 10, 2025), <https://www.forbes.com/sites/stephenpastis/2025/03/10/how-fico-scores-became-a-profit-machine/>

standard mortgage credit pull requires three FICO scores, one from each bureau. Because FICO collects a royalty on every score regardless of whether the loan closes, the company profits handsomely from the unsuccessful efforts of aspiring homeowners.

FICO has suggested that its royalty constitutes a negligible share of overall closing costs. But the relevant question is not whether the charge is small relative to other fees. Instead, we investigate whether the charge is justified by competitive market forces or is instead an exercise of monopoly pricing power. An 88% operating margin and a compound annual growth rate of 100% in per-score pricing over five years are not hallmarks of a competitive market.

In light of these factors, and in furtherance of the Senate Judiciary Committee's investigation into potentially anticompetitive practices in the credit scoring market, I request that FICO produce the following documents and information:

DOCUMENT REQUESTS

- 1.** All documents and communications concerning the setting, adjustment, or approval of wholesale royalty rates for FICO Scores used in mortgage originations, from January 1, 2018, to the present, including but not limited to board of directors materials, executive committee presentations, pricing meeting minutes, and internal memoranda.
- 2.** All documents and communications concerning FICO's market share in the business-to-business credit scoring market, including any internal assessments of FICO's competitive position relative to VantageScore or any other competitor.
- 3.** All documents and communications concerning the anticipated or actual impact of FICO's price increases on mortgage lenders, mortgage brokers, consumers, or first-time homebuyers, including any analyses of price elasticity, pass-through rates, or consumer harm.
- 4.** All documents and communications between FICO and Fannie Mae, Freddie Mac, the Federal Housing Finance Agency, the Federal Housing Administration, or the Department of Veterans Affairs concerning FICO Score requirements, pricing, or the adoption or rejection of alternative credit scoring models.
- 5.** All documents and communications concerning FICO's license agreements with Equifax, Experian, and TransUnion related to mortgage credit scoring, including the terms and negotiation of wholesale royalty rates, volume-based pricing, tier-based pricing, and any special pricing letters or amendments, from January 1, 2018 to the present.
- 6.** All documents and communications concerning the development, pricing, and implementation of the FICO Mortgage Direct License Program, including any projections of revenue, market penetration, or impact on existing distribution arrangements.
- 7.** All documents and communications concerning any complaints, objections, or pushback from lenders, credit bureaus, trade associations, consumer advocacy groups, or government agencies regarding FICO's mortgage credit score pricing, from January 1, 2022 to the present.
- 8.** All nonprivileged documents and communications concerning any internal or external analysis of whether FICO's pricing practices could raise antitrust concerns or constitute an abuse of market power.

9. All documents and communications concerning executive compensation, including equity awards and incentive compensation, that is linked to or calculated based on revenue, profit, or pricing metrics related to the Scores segment or mortgage credit scoring business.

10. All documents and communications concerning FICO's lobbying activities, government affairs strategy, or political contributions related to credit scoring regulation, mortgage market regulation, or the adoption of alternative credit scoring models, from January 1, 2020 to the present.

Please produce all responsive documents to the Senate Judiciary Subcommittee on Crime and Counterterrorism no later than April 10, 2026. If you have questions about the scope of these requests, please contact my office to discuss. Failure to comply may result in additional steps to compel production.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Hawley". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Josh Hawley
United States Senator
Chairman, Subcommittee on Crime and Counterterrorism
Committee on the Judiciary