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# United States Senate

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March 12, 2024

Jonathan Kanter  
Assistant Attorney General  
U.S. Department of Justice, Antitrust Division  
Main Justice Building, Room 1137  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Assistant Attorney General Kanter:

The Fair Isaac Corporation (FICO) appears to be using its monopolistic power over the credit scoring market to increase costs for mortgage lenders—an increase that will be passed on to consumers. FICO's recent actions demand that you investigate the company for these anticompetitive practices.

The credit score market is dominated by FICO, a for-profit company operated under a sweetheart deal from the federal government. FICO's credit scores are required for loans originated with government entities such as the Federal Housing Administration and Department of Veterans Affairs. This means that most home buyers are forced to obtain their mortgage from a lender who uses FICO's services. Because of this government-granted monopoly, FICO enjoys a 90% market share in the business-to-business credit scoring market. It is the only real competitor in the space.

In an apparent abuse of this market power, FICO has astronomically hiked its prices. For 2024, FICO is once again increasing the price to access its scores, including both "hard" and "soft" pulls. It did the same thing last year, bumping prices as much as 400%. In total, FICO's actions over the last two years have increased the cost of its credit scores by 500%. During the same period, FICO's stock price has more than doubled.

These cost increases will be borne by homebuyers who are already facing the worst housing market in this country's history. FICO's price increases will lead to either higher upfront costs or higher interest rates for borrowers, especially lower-income borrowers who may take longer to purchase a home. This is, in short, a company abusing its market power to pad its bottom line and make life worse for Americans. It is time for the Antitrust Division to step in and investigate. The last thing this country needs is another company distorting the housing market in the name of corporate profits.

Accordingly, I urge you to investigate FICO's potentially anticompetitive practices at the earliest opportunity.

Sincerely,



Josh Hawley  
United States Senator