



MORTGAGE BANKERS ASSOCIATION

April 15, 2026

The Honorable Andy Barr
Chairman
Subcommittee on Financial Institutions
Committee on Financial Services
U.S. House of Representatives
2430 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bill Foster
Ranking Member
Subcommittee on Financial Institutions
Committee on Financial Services
U.S. House of Representatives
2366 Rayburn House Office Building
Washington, D.C. 20515

The Honorable French Hill
Chairman
Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
U.S. House of Representatives
2221 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Barr, Ranking Member Foster, Chairman Hill, and Ranking Member Waters:

On behalf of the Mortgage Bankers Association (MBA)¹, I write to you regarding the planned hearing on April 16, 2026, before the House Financial Services Committee's Subcommittee on Financial Institutions, entitled "*Promoting Access to Credit for Everyday Americans*." The hearing will seek to solicit the views of stakeholders on a range of issues that impact Americans' ability to access differing forms of consumer credit, including home mortgage credit. Accordingly, MBA wishes to submit this letter as a statement for the Subcommittee's hearing record.

Background

The U.S. credit scoring industry is built around the use of credit scores to evaluate the creditworthiness of individuals by lenders and financial institutions. Key players in this industry include three Nationwide Consumer Reporting Agencies (or "NCRAs": Experian, TransUnion, and Equifax) that dominate the present market with significant operations and influence over consumer credit behavior. In addition, there are two major credit score providers – market dominant FICO and Vantage Score, a newer provider that is wholly owned by the NCRAs.

The credit reporting and scoring industry is projected to grow rapidly over the next decade, driven by technological advancements such as the integration of Artificial Intelligence (AI) and the increasing

¹ The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 390,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,000 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

use of alternative data sources like utility payments and rental history. This shift presumably aims to enhance the accuracy and efficiency of credit assessments – across all consumer credit segments.

However, the persistent lack of competition in the **mortgage credit reporting and scoring market** continues to raise costs for prospective homebuyers, as well as for consumers seeking to refinance. Despite the introduction of new credit scoring models (Vantage Score 4) and updated offerings from FICO, MBA's members have faced four years of significant increases in credit reporting costs, in some cases by as much as 350%, including a 40–50% hike for 2026 pricing, underscoring the need for structural reform.

These costs are ultimately borne by mortgage borrowers in the form of higher closing costs. And while these costs may be small relative to the entire mortgage, they are imposed on both loans that close and loans that do not. These systemic costs are significant, with some MBA members reporting hundreds of thousands or millions of dollars a year spent on credit reporting charges that are unreimbursed.

These price hikes are made possible by a requirement put in place long ago by the housing Government Sponsored Enterprises (Fannie Mae and Freddie Mac, or “the GSEs”), the Federal Housing Administration (FHA), and the Department of Veterans’ Affairs (VA) that lenders must obtain a merged credit report from each of the three NCRAs. Shielded by a government-granted oligopoly, the credit bureaus have used a “no-choice” system to raise prices and resist competition at the expense of mortgage borrowers and lenders.

Against the backdrop of an affordability crisis, the mortgage market is at the lowest level of transaction volume since the mid-1990s, while the mortgage segment operations of the NCRAs and FICO continue to report strong year-over-year earnings due to “their ability to raise prices” – as noted in their annual and/or quarterly Securities and Exchange Commission (SEC) filings.² Burdening the mortgage system with these costs – unconstrained by any true market competition – has exacerbated ongoing housing affordability challenges.

Affordability: Removing the “Tri-Merge” Mortgage Credit Report Mandate

Predictably, a market with only three major providers, and a mandate to purchase a report from all three, subjects the residential mortgage industry to price increases with no available alternative or countervailing price pressures. These embedded costs are, in turn, passed on to borrowers as part of the general origination process, adding hundreds of dollars to borrowers’ closing costs.

MBA and its members are strong supporters of the welcome focus on pursuing all avenues to improve housing affordability by the Trump administration – and within the individual party caucuses in both the House and Senate. Given the recent exorbitant price increases cited above, we believe removing

2 TransUnion Q32025 Earnings Release. Form 10-Q. March 31, 2025. Available at: <https://investors.transunion.com/~media/Files/T/Transunion-IR-V2/reports-and-presentations/q1-2025-form-10-q.pdf>, p. 35; Equifax Quarterly Report. Form 10-Q. April 22, 2025. Available at: <https://investor.equifax.com/sec-filings/quarterly-reports##document-3826-0000033185-25-000042>, p.25; Experian AnnualReport2025. Available at: <https://www.experianplc.com/content/dam/marketing/global/plc/en/assets/documents/reports/2025/experian-annual-report-2025.pdf>, p. 40.

the current mortgage tri-merge framework should be a key element on any checklist of affordability initiatives put forth by federal policymakers.

Thus, MBA stands ready to work with the Federal Housing Finance Agency (FHFA), the GSEs, and the Congress to encourage the implementation of a credit reporting framework that uses a single credit report for borrowers with a credit score above a specified threshold. Based on our members' self-assessments, we believe that a tri-merge requirement for borrowers with FICO scores of 700 and above **adds costs** – but little additional value in risk prediction.

Now is the time to end the requirement for a tri-merge credit report for every loan purchased by Fannie Mae and Freddie Mac and instead allow lenders the option to rely on a single credit report if the initial report has a credit score of 700 or above.³ Currently, 80% of GSE-backed loans have credit scores over 720, and only 7% have scores below 680.

A single report for borrowers with good credit would encourage competition among the NCRAs to improve accuracy and lower costs. Creating competition for credit reporting services will benefit all applicants, not just those eligible for a “single file” option. Single file reports are safely used in virtually every other consumer finance market, such as home equity, auto, and unsecured consumer lending. Allowing a single-file option in the conventional mortgage market, with appropriate guardrails, will improve competition and service – and lower costs for borrowers.

Advocates for the status quo oppose the idea that the NCRAs should be subject to greater market competition and have also raised concerns that this change would increase the level of risk in the mortgage market. Our members' own data – and other research – have shown that single-file reports, when implemented with appropriate business rules, predict default risk equally as well as the tri-merge reports⁴.

MBA's lender members are accustomed to innovating and competing for business in a heavily regulated environment. This premise informs our members' view that it is time to end the mortgage tri-merge requirement.

Conclusion

In conclusion, let me emphasize certain key points, as follows:

- MBA has long called for reform of the broken mortgage credit reporting model, highlighting how government mandates have enabled unjustified price hikes that directly undermine housing affordability.
- Single-file credit reports already work safely across other consumer finance markets.

³ https://www.mba.org/docs/default-source/advertising/fhfa-letter-on-trimerge-fix.pdf?sfvrsn=192bbfba_1

⁴ “Using Intercontinental Exchange (ICE) origination data with all 3 anonymized bureau scores (borrower & co-borrower), we find that credit score performance is broadly similar across bureaus, with no meaningful differences in predicting loan outcomes.” Available at: <https://www.aei.org/research-products/report/aei-housing-market-indicators-february-2026/>, p. 24.

- MBA believes lifting the tri-merge mandate for most GSE-backed mortgages would introduce real competition in the market for credit reporting products, lower closing costs, and make homeownership more affordable without sacrificing appropriate risk management.
- FHFA, the GSEs' conservator, determined in 2022 that a tri-merge report was not necessary for any of its loans.⁵
- Our MBA proposal calls for a single credit report for only borrowers with a credit score above 700.
- As highlighted above, 80% of GSE-backed loans have credit scores over 720, and only 7% have scores below 680. This is a key point that should give any doubters some ease.
- Most potential homebuyers would get relief from a single report – but all borrowers benefit from making the CRAs compete.

MBA appreciates the convening of this hearing to discuss key issues related to promoting greater access to credit, including all aspects of the credit scoring ecosystem. We look forward to serving as a resource and staying in a dialogue regarding housing affordability – including the mortgage credit reporting and scoring marketplace – with members of this Subcommittee, the full Committee, the full House and Senate, key Trump administration officials – and the housing GSEs – in the coming weeks and months.

Thank you in advance for the consideration of the views expressed within this statement.

Sincerely,



Bill Killmer
Senior Vice President
Legislative and Political Affairs

cc: All Members, Subcommittee on Financial Institutions, Committee on Financial Services, U.S. House of Representatives

⁵ Federal Housing Finance Agency, "FHFA Announces Validation of FICO 10T and VantageScore® 4.0 for Use by Fannie Mae and Freddie Mac," October 24, 2022. Available at: <https://www.fhfa.gov/news/news-release/fhfa-announces-validation-of-fico-10t-and-vantagescore-4.0-for-use-by-fannie-mae-and-freddie-mac>