

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1327

(SENATE AUTHORS: KORAN and Westrom)		
DATE	D-PG	OFFICIAL STATUS
02/22/2021	492	Introduction and first reading
		Referred to Commerce and Consumer Protection Finance and Policy
02/10/2022	4973	Author added Westrom

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A bill for an act

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relating to commerce; prohibiting app stores from requiring developers to use a

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specific app store or in-app payment system; providing penalties; amending

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Minnesota Statutes 2020, section 8.31, subdivision 1; proposing coding for new

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law in Minnesota Statutes, chapter 325D.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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Section 1. Minnesota Statutes 2020, section 8.31, subdivision 1, is amended to read:

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Subdivision 1. **Investigate offenses against provisions of certain designated sections;**

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assist in enforcement. The attorney general shall investigate violations of the law of this

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state respecting unfair, discriminatory, and other unlawful practices in business, commerce,

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or trade, and specifically, but not exclusively, the Nonprofit Corporation Act (sections

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317A.001 to 317A.909), the Act Against Unfair Discrimination and Competition (sections

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325D.01 to 325D.07), the Unlawful Trade Practices Act (sections 325D.09 to 325D.16),

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the Antitrust Act (sections 325D.49 to 325D.66), section 325D.661, section 325F.67 and

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other laws against false or fraudulent advertising, the antidiscrimination acts contained in

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section 325D.67, the act against monopolization of food products (section 325D.68), the

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act regulating telephone advertising services (section 325E.39), the Prevention of Consumer

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Fraud Act (sections 325F.68 to 325F.70), and chapter 53A regulating currency exchanges

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and assist in the enforcement of those laws as in this section provided.

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Sec. 2. **[325D.661] APPLICATION STORE COMPETITION.**

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Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have

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the meanings given.

(b) "App store" means a digital distribution platform for applications and services that is provided to users on general-purpose, Internet-connected hardware, including but not limited to mobile phones, smartphones, tablets, or personal computers. App store includes a person affiliated or acting in concert with the digital distribution platform.

(c) "Developer" means a creator of a software application made available for download by users through an app store.

(d) "In-app payment system" means an application, service, or user interface that processes a payment from a user to a developer for a software application, digital product, or physical product distributed through a software application.

(e) "Special-purpose app store" means a digital distribution platform for single or specialized categories of applications, software, and services provided to users of special-purpose, Internet-connected hardware, including but not limited to gaming consoles or music players.

Subd. 2. Prohibition. (a) An app store that has cumulative gross receipts in excess of \$10,000,000 during the previous or current calendar year from app store sales to residents of Minnesota is prohibited from:

(1) requiring a developer to use a specific app store as the exclusive mode of distribution for an app used on any platform, device, or operating system owned or sold by the owner of the app store;

(2) requiring a developer to use an in-app payment system as the exclusive mode of accepting payments by users for downloading a software application or purchasing digital or physical products through a software application; or

(3) retaliating or taking punitive action against a developer for choosing to use an alternative app store or in-app payment system.

(b) Any term in an agreement that violates paragraph (a) is void and unenforceable.

(c) This section does not apply to a special-purpose app store.

Subd. 3. Enforcement. This section must be enforced by the attorney general under section 8.31.