

2021 -- H 6055

LC001369

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
DECEPTIVE TRADE PRACTICES

Introduced By: Representative Jean Phillippe Barros

Date Introduced: March 02, 2021

Referred To: House Innovation, Internet, & Technology

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 6-13.1 of the General Laws entitled "Deceptive Trade Practices" is
2 hereby amended by adding thereto the following section:

3 **6-13.1-31. Software applications - In-application payment - Prohibitions.**

4 (a) As used in this section:

5 (1) "Developer" means a creator of a software application made available for
6 download by a user through a digital application distribution platform or other digital
7 distribution platform.

8 (2) "Digital application distribution platform" means a digital distribution platform
9 for applications and services provided to a user on general-purpose hardware, including a
10 mobile phone, smartphone, tablet, personal computer, and other general-purpose devices
11 connected to the Internet.

12 (3) "In-application payment system" means an application, service, or user
13 interface used to process a payment from a user to a developer for a software application
14 and digital and physical product distributed through a software application.

15 (4) "Special-purpose digital application distribution platform" means a digital
16 distribution platform for single or specialized categories of applications, software, and
17 services provided to a user on special-purpose hardware, including a gaming console,
18 music player, and other special-purpose devices connected to the Internet.

1 (b) A proprietor of a digital application distribution platform for which cumulative gross
2 receipts from sales on the digital application distribution platform to residents of this state
3 exceed ten million dollars (\$10,000,000) in the previous or current calendar year may not:

4 (1) Require a developer to use a digital application distribution platform or digital
5 transaction platform as the exclusive mode of distributing a digital product.

6 (2) Require a developer to use an in-application payment system as the exclusive mode of
7 accepting payment from a user to download a software application or purchase a digital or physical
8 product through a software application.

9 (3) Retaliate against a developer for choosing to use an alternative application store or in-
10 application payment system.

11 (c) An agreement that violates this section is unenforceable and is deemed a violation of
12 this section.

13 (d) This section does not apply to a proprietor of a special-purpose digital application
14 distribution platform.

15 (e) The attorney general shall receive complaints and investigate violations of this section
16 and may bring an action in any court of competent jurisdiction to obtain the legal or equitable relief
17 on behalf on an individual aggrieved by the violation.

18 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would provide protections to developers of software applications, concerning their
- 2 use and payment for their purchase.
- 3 This act would take effect upon passage.

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