



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3098

Introduced 2/17/2023, by Rep. Abdelnasser Rashid

SYNOPSIS AS INTRODUCED:

New Act

Creates the Protect Illinois Technology Jobs Act. Provides that a provider of a digital application distribution platform for which cumulative downloads of software applications from the digital application distribution platform to Illinois users exceed 1,000,000 downloads in the previous or current calendar year may not: (i) require a software application developer that is domiciled in the State to use a particular in-application payment system as a mode of accepting payments from a user for software application downloads or digital purchases; (ii) require use of a particular in-application payment system as a mode of accepting payments from Illinois users to download a software application or purchase a digital or physical product or service through a software application; (iii) retaliate against a developer that is domiciled in the State or an Illinois user for using an in-application payment system or digital application distribution platform that is not owned by, operated by, or affiliated with the provider; or (iv) discriminate against any developer on account of the developer using a third-party payment system to process payments for in-application payments. Exempts special-purpose digital application distribution platforms from the Act. Provides that the Attorney General may receive complaints and investigate violations of the Act. Provides that any person aggrieved by a violation of the Act may commence a civil action. Provides that nothing in the Act shall restrict the ability of a digital application distribution platform to determine the manner in which applications may be downloaded, and specifically, nothing in the Act shall prohibit the ability of a digital application distribution platform to prohibit side-loading of applications. Defines terms.

LRB103 05162 SPS 50177 b

1 AN ACT concerning digital application distribution
2 platforms.

3 **Be it enacted by the People of the State of Illinois,**
4 **represented in the General Assembly:**

5 Section 1. Short title. This Act may be cited as the
6 Protect Illinois Technology Jobs Act.

7 Section 5. Definitions. As used in this Act:

8 "Developer" means a creator of software applications
9 that are made available for download by users through a
10 digital application distribution platform or other digital
11 distribution platform.

12 "Digital application distribution platform" means a
13 digital distribution platform for applications and
14 services that are provided to users on general-purpose
15 hardware, including mobile phones, smartphones, tablets,
16 personal computers, and other general-purpose devices that
17 are connected to the Internet. "Digital application
18 distribution platform" includes a digital distribution
19 platform that is provided or used for only certain types
20 of devices, such as certain grades of computing device,
21 devices that are made by only a particular manufacturer,
22 or devices that run a particular operating system.

23 "Domiciled in this State" means a person that conducts

1 in this State the substantial portion of work to create or
2 to maintain digital applications.

3 "Illinois user" means a user whose most recent address
4 shown in the records of a provider is located within this
5 State.

6 "In-application payment system" means an application,
7 service, or user interface that is used to process
8 payments from users to developers for software
9 applications and digital and physical products and
10 services distributed through software applications.

11 "Provider" means a person that owns, operates,
12 implements, or maintains a digital application
13 distribution platform or an in-application payment system.

14 "Special-purpose digital application distribution
15 platform" means a digital distribution platform
16 established primarily for use by public safety agencies or
17 for single or specialized categories of applications,
18 software, and services that are provided to users on
19 hardware intended primarily for specific purposes,
20 including gaming consoles, music players, and other
21 special-purpose devices that are connected to the
22 Internet.

23 Section 10. Digital application distribution platforms;
24 prohibitions.

25 (a) A provider of a digital application distribution

1 platform for which cumulative downloads of software
2 applications from the digital application distribution
3 platform to Illinois users exceed 1,000,000 downloads in the
4 previous or current calendar year may not do any of the
5 following:

6 (1) Require a developer that is domiciled in this
7 State to use a particular in-application payment system as
8 a mode of accepting payments from a user to download a
9 software application or purchase a digital or physical
10 product or service through a software application.

11 (2) Require use of a particular in-application payment
12 system as a mode of accepting payments from Illinois users
13 to download a software application or purchase a digital
14 or physical product or service through a software
15 application.

16 (3) Retaliate against a developer that is domiciled in
17 this State or an Illinois user for using an in-application
18 payment system or digital application distribution
19 platform that is not owned by, operated by, or affiliated
20 with the provider or retaliate against a developer for
21 that use to distribute applications to or accept payments
22 from Illinois users to download a software application or
23 purchase a digital or physical product or service through
24 a software application. Such prohibited acts of
25 retaliation shall include, but not be limited to, demoting
26 the search rankings of the developer, removing the

1 application from the distribution platform, or slowing
2 down the application review and approval timelines.

3 (4) Discriminate against any developer on account of
4 the developer using a third-party payment system to
5 process payments for in-application payments. Such
6 prohibited discrimination shall include, but not be
7 limited to, charging higher take rates or commissions for
8 application distribution or any other service provided by
9 the digital application distribution platform than the
10 platform charges to applications that either offer no
11 in-application payment systems or use an in-application
12 payment system controlled or approved by the platform.

13 (b) This Act does not apply with respect to
14 special-purpose digital application distribution platforms.

15 (c) The Attorney General may receive complaints and
16 investigate violations of this Act and may bring an action in
17 any court of competent jurisdiction to obtain legal or
18 equitable relief on behalf of a person aggrieved by the
19 violation.

20 (d) Any person aggrieved by a violation of this Act may
21 commence a civil action on the person's own behalf in any court
22 of competent jurisdiction to obtain legal or equitable relief,
23 including reasonable attorney's fees and costs.

24 (e) An action may not be commenced under subsection (d)
25 until 60 days after the person allegedly aggrieved by a
26 violation of this Act has given notice of the alleged

1 violation to the Attorney General. An action may not be
2 commenced under subsection (d) if the Attorney General has
3 commenced and is diligently prosecuting an action in court
4 arising from the same alleged violation.

5 (f) Nothing in this Act shall restrict the ability of a
6 digital application distribution platform to determine the
7 manner in which applications may be downloaded, and
8 specifically, nothing in this Act shall prohibit the ability
9 of a digital application distribution platform to prohibit
10 side-loading of applications.