

tl;dr – State App Store Bills

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# ICLE tl;dr

**Background...** While Congress is considering [legislation](#) that would dictate the terms that major app stores can offer to app developers, several states have similarly pursued legislation to regulate app stores. In particular, bills requiring app-store providers to permit the practice of “sideloading,” or prohibiting them from requiring that specific payment mechanisms be used, have gained traction in several states. Some state bills also would create a private right of action against app stores.

**But...** A proliferation of state regulations threatens to create a patchwork of rules for mobile app stores, which operate globally. In this landscape, it is likely that one or two large states could set the regulatory baseline for the entire country. Smaller states that set burdensome rules could force app stores to cease distributing apps from developers domiciled in their jurisdictions.

**Moreover...** These bills are ill-advised on their own terms. Mandating that closed app-store platforms permit the use of alternative payment options could see large developers and rival payment processors free ride on an app store’s own investments. Denying closed platforms the ability to prohibit “sideloading” could compromise cybersecurity. These state bills would substitute regulatory fiat for consumer choice, sacrificing the benefits currently enjoyed by many consumers.

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