

DEPARTMENT OF THE ATTORNEY GENERAL KA 'OIHANA O KA LOIO KUHINA

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ATTORNEY GENERAL LOPEZ ANNOUNCES NATIONAL \$700 MILLION SETTLEMENT WITH GOOGLE OVER PLAY STORE MISCONDUCT

FOR IMMEDIATE RELEASE

December 18, 2023

HONOLULU – Attorney General Anne Lopez and a bipartisan group of 52 other attorneys general today announced a \$700 million agreement with Google in their lawsuit about Google's anticompetitive conduct with the Google Play Store.

Google will pay \$630 million in restitution, minus costs and fees, to consumers who made purchases on the Google Play Store between August 2016 and September 2023 and were harmed by Google's anticompetitive practices. Google will pay the states an additional \$70 million for their sovereign claims.

People eligible for restitution do not have to submit a claim. They will receive automatic payments through PayPal or Venmo, or they can elect to receive a check or ACH transfer. More details about that process will be forthcoming.

The attorneys general sued Google in 2021 alleging that Google unlawfully monopolized the market Android app distribution and in-app payment processing. Specifically, the states claimed that Google signed anticompetitive contracts to prevent other app stores from being preloaded on Android devices, bought off key app developers who might have launched rival app stores, and created technological barriers to deter consumers from directly downloading apps to their devices. The states announced a settlement in principle on September 5, 2023, and today released the finalized terms of that deal.

"This settlement will provide compensation for consumers who made purchases from the Google Play store and requires Google to make substantial changes to its business practices," said Attorney General Lopez. "The Department of the Attorney General will Department of the Attorney General News Release 2023-63 Page 2

continue to work with our partners to monitor Google's compliance with terms of the settlement."

The settlement requires Google to reform its business practices in the following ways:

- Give all developers the ability to allow users to pay through in-app billing systems other than Google Play Billing for at least five years.
- Allow developers to offer cheaper prices for their apps and in-app products for consumers who use alternative, non-Google billing systems for at least five years.
- Permit developers to steer consumers toward alternative, non-Google billing systems by advertising cheaper prices within their apps themselves for at least five years.
- Not enter contracts that require the Play Store to be the exclusive, pre-loaded app store on a device or home screen for at least five years.
- Allow the installation of third-party apps on Android phones from outside the Google Play Store for at least seven years.
- Revise and reduce the warnings that appear on an Android device if a user attempts to download a third-party app from outside the Google Play Store for at least five years.
- Maintain Android system support for third-party app stores, including allowing automatic updates, for four years.
- Not require developers to launch their app catalogs on the Play Store at the same time as they launch on other app stores for at least four years.
- Submit compliance reports to an independent monitor who will ensure that Google is not continuing its anticompetitive conduct for at least five years.

This lawsuit was led by the attorneys general from North Carolina, Utah, Tennessee, New York, and California, and joined by the attorneys general of all remaining states, the District of Columbia, and the territories of Puerto Rico and the Virgin Islands.

A copy of the settlement is available <u>HERE</u>.

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