

Attorney General Raoul Announces \$700 Million Settlement With Google Over Play Store Misconduct

December 19 2023 10:58 AM



CHICAGO - Attorney General Kwame Raoul, as part of a bipartisan group of 52 attorneys general, today announced a \$700 million agreement with Google to settle allegations of anticompetitive conduct related to the Google Play Store.

According to the settlement, 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 also pay the states an additional \$70 million in penalties.

"This settlement holds Google accountable for its anticompetitive market behavior making sure consumers in Illinois and across the nation receive the restitution they deserve," Raoul said. "Consumers are left with limited choices and higher prices when companies act to stifle competition, and I am pleased that this settlement will help impacted consumers receive restitution while requiring Google to take steps to prevent future anticompetitive conduct."

A bipartisan coalition of attorneys general filed a bipartisan national lawsuit against Google alleging that Google unlawfully monopolized the market for Android app distribution and in-app payment processing. Specifically, the lawsuit alleged 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 settlement, which was filed with the court yesterday, requires Google to reform its business practices in the following ways:

- Giving all developers the ability to allow users to pay through in-app billing systems other than Google Play billing for at least five years.
- Allowing 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.
- Permitting developers to steer consumers toward alternative, non-Google billing systems by advertising cheaper prices within their apps themselves for at least five years.
- Not entering into 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.
- Allowing the installation of third-party apps on Android phones from outside the Google Play Store for at least seven years.
- Revising and reducing 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.
- Maintaining Android system support for third-party app stores, including allowing automatic updates, for four years.
- Not requiring developers to launch their app catalogs on the Play Store at the same time they launch on other app stores for at least four years.

- Submitting compliance reports to an independent monitor who will ensure that Google is not continuing its anticompetitive conduct for at least five years.

Consumers who are 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 automatic clearing house (ACH) transfer. More details about that process will be forthcoming.

Joining Raoul in the settlement are attorneys general of each state, along with the attorneys general of the District of Columbia, Puerto Rico and the U.S. Virgin Islands.