



AMERICANS FOR PROSPERITY®

NORTH DAKOTA

SB 2333

Senate Industry, Business, and Labor

February 9th, 2021

Chairman Klein and members of the Senate Industry, Business, and Labor Committee,

My name is Cale Dunwoody, and I am here on behalf of Americans for Prosperity-North Dakota (AFP-ND). Our organization is dedicated to reducing barriers for individuals, allowing them to reach their full potential. Each and every day we are fighting to reduce burdensome regulations, allowing for greater personal choice. Today, I stand before this committee in opposition to Senate Bill 2333. I believe this bill hinders North Dakotans' personal choice and stifles innovation.

Objectively, our organization is opposed to regulations of this sort. More subjectively, Americans for Prosperity is opposed to this bill for two reasons:

- First, this bill places unnecessary mandates on the technology sector.
- Second, this bill limits competition in the free market.

North Dakota is a place of common sense; we favor limited government. This committee often decipherers between which bills are necessary to protect consumers and which are a governmental overreach. Frankly, Americans for Prosperity believes this bill is an overreach. Our organization fundamentally opposes government mandates on private businesses. This bill is directly telling private businesses how to run their business. Unless it can be established that business practices create harm for consumers or competition, the government should not impose its' heavy hand.

This bill would limit how software developers can sell applications on their platforms. The free market is what drives our economy and our way of life. The influence of personal choice is the most powerful thing in America, whether it be choosing an elected official or a can of pop, we all make a choice. Many of us have chosen between Apple and Android. If you would like a more isolated experience you, chose Apple, and if you want a more flexible experience, you chose Android. We are asking that people, not the government, decide between software developers.

While I am not a technological expert, it is said that these restrictions would ultimately hinder a companies' ability to keep their devices secure. For instance, if you have a house with three doors, you will have to make sure each door is locked and secure to protect from invaders. Whereas, if you only had one door to enter your house, it would be much

easier to protect your home because there is only one way to enter. While that was a gross oversimplification, the same can be assumed for our devices. If you have one single point of entry, then it makes it easier to catch bugs and malware. This bill would reduce that option and force private businesses to have multiple points of entry.

Senate Bill 2333 is specifically affecting businesses such as Apple, primarily because they have their own app store (sub-section 2). It would force private businesses to allow their customers to download applications from other app stores. Specifically, this bill would not apply to other digital platforms like Microsoft's Xbox or Sony's Playstation (sub-section 4).

Today I am respectfully asking this committee to give Senate Bill 2333 a do not pass recommendation. For the most part, we all fundamentally agree on the power of the free market. If the consumer is dissatisfied with a product, they have the ability to switch. This bill creates undue government regulation on companies, like Apple, while smothering any further innovation. I ask that this committee keep North Dakota a place of common sense and a place of limited government.

I will now stand for any questions.

Cale Dunwoody
Grassroots Engagement Director
Americans for Prosperity-North Dakota