SENATE JOURNAL

ALASKA STATE LEGISLATURE

THIRTIETH LEGISLATURE

FIRST SESSION

Juneau, Alaska

Friday

February 17, 2017

Thirty-second Day

Pursuant to adjournment the Senate was called to order by President Kelly at 10:04 a.m.

The roll showed eighteen members present. Senators Costello and Wilson were excused from a call of the Senate.

The prayer was offered by the Chaplain, Reverend Mark Peterson, Resurrection Lutheran Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

> Lord God, human progress is stopped by struggles for power and dominion, yet the yearning of the human heart is for love, care and acceptance. As we deliberate questions that sometimes seem to be without answer, free our hearts to yearn for the peace that passes all our understanding. Let us dream of Alaska as it should be a thousand years from now. Let us have visions of beauty and safety, peace and tranquility, a future that is in accord with your will for all. Grant us the courage to act on our dreams and to share our dreams with each other, so that we can find unity and sure footing together on those slippery rocks of power. Amen.

Senator von Imhof led the Senate in the Pledge of Allegiance.

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Certification

Senator Micciche moved and asked unanimous consent that the journals for the thirtieth and thirty-first legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the Governor

A Declaration of Disaster Emergency, dated February 14, regarding the 2017 Opioid Disaster with an accompanying letter and finance plan was received. The declaration, letter and finance plan had been copied to the Finance Committee Cochairs.

Messages from the House

Message dated February 15 was read stating per Legislative Resolve 34, SLA 2016, the Speaker has appointed the following members to the Task Force on Civics Education:

Representative Claman Representative Ortiz Representative Pruitt

Message dated February 15 was read stating the House passed and transmitted for consideration:

First Reading and Reference of House Resolutions

HJR 5

CS FOR HOUSE JOINT RESOLUTION NO. 5(AET) BY THE HOUSE SPECIAL COMMITTEE ON ARCTIC POLICY, ECONOMIC DEVELOPMENT, AND TOURISM,

> Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas development; urging the United States Department of the Interior to

recognize the private property rights of owners of land in and adjacent to the Arctic National Wildlife Refuge; relating to oil and gas exploration, development, production, and royalties; and relating to renewable and alternative energy technologies.

was read the first time and referred to the Senate Special Committee on the Arctic.

First Reading and Reference of House Bills

HB 77

HOUSE BILL NO. 77 am BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE COUNCIL, entitled:

"An Act making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date."

was read the first time and referred to the Judiciary Committee.

Communications

Disclosure letters received from the Select Committee on Legislative Ethics, in accordance with AS 24.60, will be published in Senate Journal Supplement No. 2 and Senate and House Joint Journal Supplement No. 4.

The following reports are on file in the Office of the Secretary of the Senate:

Department of Administration Division of Finance Compensation and Travel Report of Executive Positions for 2016 in accordance with AS 37.05.210

University of Alaska Business Enterprise Institute Alaska Small Business Development Center 2016 Annual Report

Standing Committee Reports

SB 6

The Resources Committee considered SENATE BILL NO. 6 "An Act relating to industrial hemp; and relating to controlled substances" and recommended it be replaced with

CS FOR SENATE BILL NO. 6(RES) "An Act relating to the regulation and production of industrial hemp; relating to industrial hemp pilot programs; providing that industrial hemp is not included in the definition of 'marijuana'; and clarifying that adding industrial hemp to food does not create an adulterated food product."

Signing do pass: Senator Giessel, Chair; Senators Hughes, Coghill, von Imhof, Meyer. Signing no recommendation: Senator Stedman.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Law

Fiscal Note No. 2, indeterminate, Department of Natural Resources

Fiscal Note No. 3, zero, Department of Public Safety

Fiscal Note No. 4, zero, Department of Public Safety

President Kelly added a Finance Committee referral to the bill.

The bill was referred to the Judiciary, then Finance Committees.

SB 32

The Health and Social Services Committee considered SENATE BILL NO. 32 "An Act relating to biological products; relating to the practice of pharmacy; relating to the Board of Pharmacy; and providing for an effective date." Signing no recommendation: Senator Wilson, Chair. Signing do pass: Senators von Imhof, Begich. Signing amend: Senator Giessel.

The following fiscal information was published today: Fiscal Note No. 1, Department of Commerce, Community and Economic Development

The bill was referred to the Labor and Commerce Committee.

SB 33

The Transportation Committee considered SENATE BILL NO. 33 "An Act naming the state ferries built in Ketchikan and entering Alaska marine highway system service on or after 2017; and providing for an effective date." Signing do pass: Senator Stedman, Chair; Senators Egan, Bishop, Wilson.

The following previously published fiscal information applies: Fiscal Note No. 1, zero, Department of Transportation and Public Facilities

The bill was referred to the Rules Committee.

SB 36

The Health and Social Services Committee considered SENATE BILL NO. 36 "An Act relating to the practice of optometry." Signing no recommendation: Senator Wilson, Chair. Signing do pass: Senator Giessel. Signing amend: Senators von Imhof, Begich.

The following fiscal information was published today: Fiscal Note No. 1, Department of Commerce, Community and Economic Development

The bill was referred to the Finance Committee.

SB 46

The Transportation Committee considered SENATE BILL NO. 46 "An Act establishing October 25 of each year as African American Soldiers' Contribution to Building the Alaska Highway Day." Signing do pass: Senator Stedman, Chair; Senators Bishop, Wilson, Egan.

The following fiscal information was published today: Fiscal Note No. 1, zero, Department of Military and Veterans Affairs

The bill was referred to the State Affairs Committee.

Introduction and Reference of Senate Resolutions

SJR 6

SENATE JOINT RESOLUTION NO. 6 BY SENATOR WIELECHOWSKI,

Urging the United States Congress and the President of the United States to work to amend the Constitution of the United States to prohibit corporations, unions, and individuals from making unlimited independent expenditures supporting or opposing candidates for public office.

was read the first time and referred to the State Affairs and Judiciary Committees.

Introduction and Reference of Senate Bills

SB 4

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 4 BY SENATOR MICCICHE, entitled:

"An Act relating to the Board of Barbers and Hairdressers; relating to a limited license to practice nonchemical barbering; relating to a license to practice hair braiding; relating to the Department of Environmental Conservation; and providing for an effective date."

was read the first time and referred to the Labor and Commerce and Finance Committees.

SB 62

SENATE BILL NO. 62 BY SENATOR WILSON, entitled:

"An Act repealing the certificate of need program for health care facilities; making conforming amendments; and providing for an effective date."

was read the first time and referred to the Labor and Commerce and Finance Committees.

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SB 63

SENATE BILL NO. 63 BY SENATOR MICCICHE, entitled:

"An Act prohibiting smoking in certain places; relating to education on the smoking prohibition; and providing for an effective date."

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 64

SENATE BILL NO. 64 BY SENATOR MICCICHE, entitled:

"An Act adopting the Uniform Environmental Covenants Act; relating to environmental real property covenants and notices of activity and use limitation at contaminated sites to ensure the protection of human health, safety, and welfare, and the environment; and providing for an effective date."

was read the first time and referred to the Community and Regional Affairs and Labor and Commerce Committees.

Consideration of the Calendar

Third Reading of Senate Bills

SB 3

SENATE BILL NO. 3 was read the third time.

The question being: "Shall SENATE BILL NO. 3 "An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; relating to art requirements for certain public facilities; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

SB 3 Third Reading - Final Passage Effective Date

YEAS: 16 NAYS: 2 EXCUSED: 2 ABSENT: 0

Yeas: Bishop, Coghill, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof

Nays: Begich, Wielechowski

Excused: Costello, Wilson

and so, SENATE BILL NO. 3 passed the Senate.

Senator Micciche moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered and the bill was referred to the Secretary for engrossment.

Citations

Honoring - Ken Leghorn Senator(s) Egan, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Gardner, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski Representative(s) Kito, Parish

Honoring - The American Red Cross 100 Years in Alaska Senator(s) Egan, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Honoring - Bradley G. Reeve Representative(s) Westlake Senator(s) Olson, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof, Wielechowski

Honoring - Wasilla Centennial Representative(s) Sullivan-Leonard Senator(s) Wilson, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski

Honoring - The Alaska Permanent Fund 40th Anniversary Representative(s) Edgmon

Senator(s) Kelly, Hoffman, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Honoring - Service High School 2016 All-Cook Inlet Conference Football Team

Representative(s) Millett

Senator(s) Meyer, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski

Honoring - Service High School 2016 Boys All-State Football Team Representative(s) Millett

Senator(s) Meyer, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski

Honoring - Van Withrow

Representative(s) Millett

Senator(s) Meyer, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski

In Memoriam - James Romerdahl

Senator(s) Gardner, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Senator Micciche moved and asked unanimous consent that the citations be adopted. Without objection, the citations were adopted and referred to the Secretary for transmittal.

Unfinished Business

Senator Giessel moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, February 25 through morning plane time, February 27. Without objection, Senator Giessel was excused.

Senator von Imhof moved and asked unanimous consent to be excused from a call of the Senate on May 18. Without objection, Senator von Imhof was excused.

SR 3

Senator Micciche moved and asked unanimous consent to be shown as a cosponsor on SENATE RESOLUTION NO. 3 Proclaiming February 2017 as Black History Month. Without objection, it was so ordered.

In accordance with AS 24.55.020, President Kelly made the following appointments:

Ombudsman Selection Committee

Senator MacKinnon Senator Stedman Senator Gardner

In accordance with AS 24.65.020, President Kelly made the following appointments:

Victims' Advocate Selection Committee

Senator MacKinnon Senator Stedman Senator Gardner

Announcements

Announcements are at the end of the journal.

Engrossment

SB 3

SENATE BILL NO. 3 "An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; relating to art requirements for certain public facilities; and providing for an effective date" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

Adjournment

Senator Micciche moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., February 20, 2017. Without objection, the Senate adjourned at 10:37 a.m.

Liz Clark Secretary of the Senate

Announcements

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

STANDING COMMITTEES

+ indicates teleconference

= indicates bill previously heard/scheduled

COMMUNITY & REGIONAL AFFAIRS

Fel	o 21	Tuesday	Beltz 105 (tsbldg)	3:30 PM
+	SB 7	MUSEUM CONSTRUCT	TION GRANT PROGRAM	
+	HB 78	INDIGENOUS PEOPLES	S DAY	
Fel	o 23	Thursday	Beltz 105 (tsbldg)	3:30 PM
		•	Beltz 105 (tsbldg) TION GRANT PROGRAM	3:30 PM
+=	SB 7	•	TION GRANT PROGRAM	3:30 PM

EDUCATION

Feb 17 +	Friday Virtual Education from a S Florida Virtual Schools Mike Bayba, New York S Consortium Testimony <invitation (<="" th=""><th>tate Distance Learning</th><th>8:00 AM</th></invitation>	tate Distance Learning	8:00 AM
+	Bills Previously Heard/Sc	heduled	
Feb 20	Monday No Meeting Scheduled	Butrovich 205	8:00 AM
Feb 22 +	Wednesday Recruitment and Retention Presentation by Northwest Laboratory Joint with House Education Testimony <invitation (<="" th=""><th>t Regional Educational</th><th>8:00 AM</th></invitation>	t Regional Educational	8:00 AM

EDUCATION (continued)

Feb 24	Friday	Butrovich 205	8:00 AM
+	Public Hearing on Virtua	l Education in Alaska	
	Kenai Peninsula Borough	School District	
	Public Testimony <tin< td=""><td>ne Limit May Be Set></td><td></td></tin<>	ne Limit May Be Set>	
		-	

FINANCE

Feb 17 + +	Friday Department of Health an FY18 Operating Budget Bills Previously Heard/S	Overview	8:30 AM
Feb 20	Monday No Meeting Scheduled	Senate Finance 532	9:00 AM
Feb 21 +	Tuesday Alaska Permanent Fund Ms. Angela Rodell, Exe Permanent Fund Corpor Bills Previously Heard/S	cutive Director, Alaska ation	9:00 AM
Feb 22 +	Wednesday FY18 Operating Budget Transportation and Publi Commissioner Luiken Bills Previously Heard/S	ic Facilities	9:00 AM
Feb 22 + SB 21 + SB 26		Senate Finance 532 INCOME; POMV; DIVIDEN TS;DIVIDEND;EARNINGS	1:30 PM IDS
Feb 23 +	Thursday Alaska's Reinsurance Pr House Bill 376 (2016) Department of Commerc Economic Development Bills Previously Heard/S	-	9:00 AM

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FINANCE (continued)

Feb 24	Friday	Senate Finance 532	8:30 AM
+	Projections and Forecasting Alaska Permanent Fund		
	Mr. Greg All	en, President and Director of	
	Research, Ca	llan Associates	
	Mr. Steve Ce	nter, CFA, Senior Vice President	
	Callan Assoc	iates	

HEALTH & SOCIAL SERVICES

Feb 17	Friday No Meeting Scheduled	Butrovich 205	1:30 PM
Feb 20	Monday No Meeting Scheduled	Butrovich 205	1:30 PM
Feb 22	Wednesday No Meeting Scheduled	Butrovich 205	1:30 PM
Feb 24	Friday No Meeting Scheduled	Butrovich 205	1:30 PM

JUDICIARY

Feb 17	Friday	Beltz 105 (tsbldg)	1:30 PM
+ SB 54	CRIME AND SENTENC	ING	
Feb 20 + SB 20	Monday LIST U-47700 AS A CO	Beltz 105 (tsbldg) NTROLLED SUBSTANCE	1:30 PM
+ SB 6			
+	Bills Previously Heard/Sc	heduled	
Feb 22 +	Wednesday Bills Previously Heard/Sc	Beltz 105 (tsbldg)	1:30 PM
+	Bills Previously Heard/Sc		1:30 PM
+ + += SB 20 Feb 24 +	Bills Previously Heard/Sc	heduled: NTROLLED SUBSTANCE Beltz 105 (tsbldg) heduled:	1:30 PM 1:30 PM

LABOR & COMMERCE

Feb 21	Tuesday	Beltz 105 (tsbldg)	1:30 PM
+= SB 15	E-CIGS: SALE TO AN	D POSSESSION BY MINOR	
+	Bills Previously Heard/ Public Testimony	Scheduled	
Feb 23	Thursday	Beltz 105 (tsbldg)	1:30 PM

red 23	i nui suay	Deltz 105 (tsblug)	1.301 11
+ SB 47	MOTOR VEHICLE DEA	LER FRANCHISES	
+	Bills Previously Heard/Sc	cheduled	
	Public Testimony		

RESOURCES

Feb 17	Friday No Meeting Scheduled	Butrovich 205	3:30 PM
Feb 20 +	Status	Butrovich 205 ity of Alaska Land Grant	3:30 PM
+	Testimony <invitation Bills Previously Heard/S</invitation 	•	
Feb 22 +	Wednesday Overview of the Office of and Permitting: Wetlands Mitigation Ban Testimony <invitation Bills Previously Heard/S</invitation 	nk Projects Only>	3:30 PM
Feb 24 +	Friday Bills Previously Heard/S	Butrovich 205 cheduled	3:30 PM

STATE AFFAIRS

Feb 21	Tuesday	Butrovich 205	4:30 PM
+ SR 3	FEBRUARY 2017: BLACK	HISTORY MONTH	
	Public Testimony		
+= SB 21	PERMANENT FUND: INC	OME; POMV; DIVIDEN	JDS
	(Continued on Next Page)		

STATE AFFAIRS (continued)

(Continued from Previous Page) Public Testimony <begins 5:00="" at="" p.m.=""> Limited to 3 Minutes PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS Public Testimony <begins 5:00="" at="" p.m.=""> Limited to 3 Minutes</begins></begins>
Bills Previously Heard/Scheduled

Feb 23	Thursday	Butrovich 205	3:30 PM	
+ SB 34	DRIVER'S LICENSE & I	D CARDS & REAL ID A	CT	
	Testimony <invitation c<="" th=""><th>Only></th><th></th></invitation>	Only>		
+	Presentation: Bridging the Fiscal Gap:			
	Meaningful Reductions & Leveraging Savings			
	by Senator Dunleavy			
+	Bills Previously Heard/Scl	heduled		

TRANSPORTATION

Feb 21	Tuesday	Butrovich 205	1:30 PM
	No Meeting Scheduled		
Feb 23	Thursday	Butrovich 205	1:30 PM
+ SB 50	INCREASE STUDDED TIRE	E FEE	
+	Bills Previously Heard/Schedu	uled	

FINANCE SUBCOMMITTEES

ADMINISTRATION

Feb 22	Wednesday Overview of the Governo	Senate Finance 532 or's FY18 Budget	1:30 PM
Feb 27	Monday Agenda TBA	Senate Finance 532	1:30 PM
Mar 01	Wednesday Agenda TBA	Senate Finance 532	1:30 PM
Mar 08	Wednesday Tentative FY18 Subcom	Senate Finance 532 mittee Budget Close-Out	1:30 PM

EDUCATION & EARLY DEVELOPMENT

Feb 21	Tuesday Overview of the Govern Dr. Michael Johnson, Co Sana Efird, Deputy Com Heidi Teshner, Director, Administrative Services	7:30 AM	
Feb 28	Tuesday Agenda TBA	Butrovich 205	7:30 AM
Mar 07	Tuesday Agenda TBA	Butrovich 205	7:30 AM
Mar 09		Butrovich 205 mittee Budget Close-Out 	7:30 AM
Feb 22 +	Wednesday Governor's FY18 Budge	Fahrenkamp 203 t Overview 	1:30 PM
	F15H 0	GAME	
Feb 22	Wednesday Overview	Senate Finance 532	8:00 AM
Mar 14	Tuesday Close-out	Senate Finance 532	8:00 AM

HEALTH & SOCIAL SERVICES

Feb 17	Friday Budget Overview	Senate Finance 532	11:00 AM
Feb 21	Tuesday Update on Senate Bill 74	Senate Finance 532 (2016) Medicaid Reform	1:30 PM

HEALTH & SOCIAL SERVICES (continued)

Feb 23	Thursday Maintenance of Effort fo Programs	Senate Finance 532 or Public Assistance	1:30 PM
Feb 28	Tuesday Public Health Nursing	Senate Finance 532	1:30 PM
Mar 02	Thursday Medicaid Optional Servi	Senate Finance 532 aces Review	1:30 PM
Mar 07	Tuesday Medicaid Rates	Senate Finance 532	1:30 PM
Mar 09	Thursday Agenda to Follow	Senate Finance 532	1:30 PM
Mar 14	Tuesday Agenda to Follow	Senate Finance 532	1:30 PM
Mar 16	Thursday If Needed	Senate Finance 532	1:30 PM

LAW

Feb 27	Monday Agenda TBA	Butrovich 205	5:30 PM
Mar 01	Wednesday Agenda TBA	Butrovich 205	5:30 PM
Mar 08	Wednesday Tentative FY18 Subcommittee	Butrovich 205 Budget Close-Out	5:30 PM

UNIVERSITY OF ALASKA

Feb 23	Thursday	Beltz 105 (tsbldg)	11:15 AM
+	Governor's FY18 B	udget Overview	

SPECIAL COMMITTEES

SPECIAL CMTE ON THE ARCTIC

Feb 17FridayButrovich 2053:30 PMHJR 5ENDORSING ANWR LEASING; RELATED ISSUES

-- Public Testimony --

JOINT COMMITTEES

LEGISLATIVE BUDGET & AUDIT

Feb 23	Thursday	Senate Finance 532	12:00 PM
	Teleconference <listen only=""></listen>		
	Audit Contracts - EXECUTIVE SESSION		
	Other Committee H	Business	
	- Legislative Audit		
	- Mental Health Tr	ust Audit	
	- Oil & Gas Consu	ltant Update	

OTHER MEETINGS

JOINT SESSION

Feb 22	Wednesday	House Chamber	11:00 AM
+	Annual Address by th	e Honorable	
	Lisa Murkowski, U.S	. Senator	
Feb 24	Friday	House Chamber	10:30 AM
+	Annual Address by th	e Honorable	
	Dan Sullivan, U.S. Se	enator	

MISCELLANEOUS MEETING

Feb 23	Thursday	Butrovich 205	12:00 PM
	Lunch & Learn:		
	Alaska Legal Services Cor	poration	
	Presentation By Nikole Nel	son, Executive Director	
	& Jim Sandman, Legal Serv	vices Corp. President	
	Sponsored by Senator Micc	iche	

MISCELLANEOUS MEETING (continued)

Feb 23	Thursday	Capitol 106	12:01 PM
	Lunch & Learn:		
	Alaska Health Centers - The	Total Package	
	Nancy Merriman, Executive	Director of the Alaska	
	Primary Care Association		
	Sponsored by Representative	e Talerico	
Mar 22	Wednesday	Capitol 106	12:00 PM

Lunch & Learn Alaska Chapter of the American Foundation for Suicide Prevention Sponsored by Senator Hoffman

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