

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 COMMITTEE SUBSTITUTE  
5 FOR ENGROSSED  
6 SENATE BILL NO. 105

By: Thompson of the Senate

7 and

8 Osborn (Leslie) of the  
9 House

10  
11 COMMITTEE SUBSTITUTE

12 [ state information technology - Chief Information  
13 Officer - noncodification - effective date -  
14 emergency ]

15  
16  
17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law not to be  
19 codified in the Oklahoma Statutes reads as follows:

20 It is the intent of the Legislature to streamline the  
21 acquisition of certain information technology and telecommunication  
22 products by state agencies while maintaining adherence to state  
23 architectural and data security standards and while ensuring  
24

1 supportable information technology and telecommunication solutions  
2 are acquired by state agency.

3 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.11.1, as  
4 last amended by Section 6, Chapter 358, O.S.L. 2013 (62 O.S. Supp.  
5 2016, Section 34.11.1), is amended to read as follows:

6 Section 34.11.1 A. There is hereby created the position of  
7 Chief Information Officer who shall be appointed by the Governor.  
8 The Chief Information Officer, in addition to having authority over  
9 the Information Services Division of the Office of Management and  
10 Enterprise Services, shall also serve as Secretary of Information  
11 Technology and Telecommunications or successor cabinet position and  
12 shall have jurisdictional areas of responsibility related to  
13 information technology and telecommunications systems of all state  
14 agencies as provided for in state law. The salary of the Chief  
15 Information Officer shall not be less than One Hundred Thirty  
16 Thousand Dollars (\$130,000.00) or more than One Hundred Sixty  
17 Thousand Dollars (\$160,000.00).

18 B. Any person appointed to the position of Chief Information  
19 Officer shall meet the following eligibility requirements:

20 1. A baccalaureate degree in Computer Information Systems,  
21 Information Systems or Technology Management, Business  
22 Administration, Finance, or other similar degree;

23 2. A minimum of ten (10) years of professional experience with  
24 responsibilities for management and support of information systems

1 and information technology, including seven (7) years of direct  
2 management of a major information technology operation;

3 3. Familiarity with local and wide-area network design,  
4 implementation, and operation;

5 4. Experience with data and voice convergence service  
6 offerings;

7 5. Experience in developing technology budgets;

8 6. Experience in developing requests for proposal and  
9 administering the bid process;

10 7. Experience managing professional staff, teams, and  
11 consultants;

12 8. Knowledge of telecommunications operations;

13 9. Ability to develop and set strategic direction for  
14 information technology and telecommunications and to manage daily  
15 development and operations functions;

16 10. An effective communicator who is able to build consensus;

17 11. Ability to analyze and resolve complex issues, both logical  
18 and interpersonal;

19 12. Effective verbal and written communications skills and  
20 effective presentation skills, geared toward coordination and  
21 education;

22 13. Ability to negotiate and defuse conflict; and

23 14. A self-motivator, independent, cooperative, flexible and  
24 creative.

1 C. The salary and any other expenses for the Chief Information  
2 Officer shall be budgeted as a separate line item through the Office  
3 of Management and Enterprise Services. The operating expenses of  
4 the Information Services Division shall be set by the Chief  
5 Information Officer and shall be budgeted as a separate line item  
6 through the Office of Management and Enterprise Services. The  
7 Office of Management and Enterprise Services shall provide adequate  
8 office space, equipment and support necessary to enable the Chief  
9 Information Officer to carry out the information technology and  
10 telecommunications duties and responsibilities of the Chief  
11 Information Officer and the Information Services Division.

12 D. 1. Within twelve (12) months of appointment, the first  
13 Chief Information Officer shall complete an assessment, which shall  
14 be modified annually pursuant to Section 35.5 of this title, of the  
15 implementation of the transfer, coordination, and modernization of  
16 all information technology and telecommunication systems of all  
17 state agencies in the state as provided for in the Oklahoma  
18 Information Services Act. The assessment shall include the  
19 information technology and telecommunications systems of all  
20 institutions within The Oklahoma State System of Higher Education,  
21 the Oklahoma State Regents for Higher Education and the  
22 telecommunications network known as OneNet as assembled and  
23 submitted by the Oklahoma Higher Education Chief Information  
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1 Officer, as designated by the Oklahoma State Regents for Higher  
2 Education.

3 2. Within twelve (12) months of appointment, the first Chief  
4 Information Officer shall issue a report setting out a plan of  
5 action which will include the following:

- 6 a. define the shared service model organization structure  
7 and the reporting relationship of the recommended  
8 organization,
- 9 b. the implementation of an information technology and  
10 telecommunications shared services model that defines  
11 the statewide infrastructure environment needed by  
12 most state agencies that is not specific to individual  
13 agencies and the shared applications that are utilized  
14 across multiple agencies,
- 15 c. define the services that shall be in the shared  
16 services model under the control of the Information  
17 Services Division of the Office of Management and  
18 Enterprise Services,
- 19 d. define the roadmap to implement the proposed shared  
20 services model. The roadmap shall include  
21 recommendations on the transfer, coordination, and  
22 modernization of all information technology and  
23 telecommunication systems of all the state agencies in  
24 the state,

- 1 e. recommendations on the reallocation of information  
2 technology and telecommunication resources and  
3 personnel,  
4 f. a cost benefit analysis to support the recommendations  
5 on the reallocation of information technology and  
6 telecommunication resources and personnel,  
7 g. a calculation of the net savings realized through the  
8 reallocation and consolidation of information  
9 technology and telecommunication resources and  
10 personnel after compensating for the cost of  
11 contracting with a private consultant as authorized in  
12 paragraph 4 of this subsection, implementing the plan  
13 of action, and ongoing costs of the Information  
14 Services Division of the Office of Management and  
15 Enterprise Services, and  
16 h. the information required in subsection B of Section  
17 35.5 of this title.

18 3. The plan of action report shall be presented to the  
19 Governor, Speaker of the House of Representatives, and the President  
20 Pro Tempore of the State Senate.

21 4. The Chief Information Officer may contract with a private  
22 consultant or consultants to assist in the assessment and  
23 development of the plan of action report as required in this  
24 subsection.

1 E. The Chief Information Officer shall be authorized to employ  
2 personnel, fix the duties and compensation of the personnel, not  
3 otherwise prescribed by law, and otherwise direct the work of the  
4 personnel in performing the function and accomplishing the purposes  
5 of the Information Services Division of the Office of Management and  
6 Enterprise Services.

7 F. The Information Services Division of the Office of  
8 Management and Enterprise Services shall be responsible for the  
9 following duties:

10 1. Formulate and implement the information technology strategy  
11 for all state agencies;

12 2. Define, design, and implement a shared services statewide  
13 infrastructure and application environment for information  
14 technology and telecommunications for all state agencies;

15 3. Direct the development and operation of a scalable  
16 telecommunications infrastructure that supports data and voice  
17 communications reliability, integrity, and security;

18 4. Supervise the applications development process for those  
19 applications that are utilized across multiple agencies;

20 5. Provide direction for the professional development of  
21 information technology staff of state agencies and oversee the  
22 professional development of the staff of the Information Services  
23 Division of the Office of Management and Enterprise Services;

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- 1       6. Evaluate all technology and telecommunication investment  
2 choices for all state agencies;
- 3       7. Create a plan to ensure alignment of current systems, tools,  
4 and processes with the strategic information technology plan for all  
5 state agencies;
- 6       8. Set direction and provide oversight for the support and  
7 continuous upgrading of the current information technology and  
8 telecommunication infrastructure in the state in support of enhanced  
9 reliability, user service levels, and security;
- 10      9. Direct the development, implementation, and management of  
11 appropriate standards, policies and procedures to ensure the success  
12 of state information technology and telecommunication initiatives;
- 13      10. Recruit, hire and transfer the required technical staff in  
14 the Information Services Division of the Office of Management and  
15 Enterprise Services to support the services provided by the Division  
16 and the execution of the strategic information technology plan;
- 17      11. Establish, maintain, and enforce information technology and  
18 telecommunication standards;
- 19      12. Delegate, coordinate, and review all work to ensure quality  
20 and efficient operation of the Information Services Division of the  
21 Office of Management and Enterprise Services;
- 22      13. Create and implement a communication plan that disseminates  
23 pertinent information to state agencies on standards, policies,  
24 procedures, service levels, project status, and other important



1 information to customers of the Information Services Division of the  
2 Office of Management and Enterprise Services and provide for agency  
3 feedback and performance evaluation by customers of the Division;

4 14. Develop and implement training programs for state agencies  
5 using the shared services of the Information Services Division of  
6 the Office of Management and Enterprise Services and recommend  
7 training programs to state agencies on information technology and  
8 telecommunication systems, products and procedures;

9 15. Provide counseling, performance evaluation, training,  
10 motivation, discipline, and assign duties for employees of the  
11 Information Services Division of the Office of Management and  
12 Enterprise Services;

13 16. ~~Approve~~ For all state agencies, approve the purchasing of  
14 all information technology and telecommunication services and  
15 approve the purchase of any information technology and  
16 telecommunication ~~products and services for all state agencies~~  
17 product except the following:

18 a. a purchase less than or equal to Five Thousand Dollars  
19 (\$5,000.00) if such product is purchased using a state  
20 purchase card and the product is listed on either the  
21 Approved Hardware or Approved Software list located on  
22 the Office of Management and Enterprise Services  
23 website, or

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1           b. a purchase over Five Thousand Dollars (\$5,000.00) and  
2           less than or equal to Twenty-five Thousand Dollars  
3           (\$25,000.00) if such product is purchased using a  
4           state purchase card, the product is listed on an  
5           information technology or telecommunications statewide  
6           contract, and the product is listed on either the  
7           Approved Hardware or Approved Software list located on  
8           the Office of Management and Enterprise Services  
9           website;

10           17. Develop and enforce an overall infrastructure architecture  
11 strategy and associated roadmaps for desktop, network, server,  
12 storage, and statewide management systems for state agencies;

13           18. Effectively manage the design, implementation and support  
14 of complex, highly available infrastructure to ensure optimal  
15 performance, on-time delivery of features, and new products, and  
16 scalable growth;

17           19. Define and implement a governance model for requesting  
18 services and monitoring service level metrics for all shared  
19 services; and

20           20. Create the budget for the Information Services Division of  
21 the Office of Management and Enterprise Services to be submitted to  
22 the Legislature each year.

23           G. The State Governmental Technology Applications Review Board  
24 shall provide ongoing oversight of the implementation of the plan of

1 action required in subsection D of this section. Any proposed  
2 amendments to the plan of action shall be approved by the Board  
3 prior to adoption.

4 H. 1. The Chief Information Officer shall act as the  
5 Information Technology and Telecommunications Purchasing Director  
6 for all state agencies and shall be responsible for the procurement  
7 of all information technology and telecommunication software,  
8 hardware, equipment, peripheral devices, maintenance, consulting  
9 services, high technology systems, and other related information  
10 technology, data processing, telecommunication and related  
11 peripherals and services for all state agencies. The Chief  
12 Information Officer shall establish, implement, and enforce policies  
13 and procedures for the procurement of information technology and  
14 telecommunication software, hardware, equipment, peripheral devices,  
15 maintenance, consulting services, high technology systems, and other  
16 related information technology, data processing, telecommunication  
17 and related peripherals and services by purchase, lease-purchase,  
18 lease with option to purchase, lease and rental for all state  
19 agencies. The procurement policies and procedures established by  
20 the Chief Information Officer shall be consistent with The Oklahoma  
21 Central Purchasing Act.

22 2. The Chief Information Officer, or any employee or agent of  
23 the Chief Information Officer acting within the scope of delegated  
24 authority, shall have the same power and authority regarding the

1 procurement of all information technology and telecommunication  
2 products and services as outlined in paragraph 1 of this subsection  
3 for all state agencies as the State Purchasing Director has for all  
4 acquisitions used or consumed by state agencies as established in  
5 The Oklahoma Central Purchasing Act. Such authority shall,  
6 consistent with the authority granted to the State Purchasing  
7 Director pursuant to Section 85.10 of Title 74 of the Oklahoma  
8 Statutes, include the power to designate financial or proprietary  
9 information submitted by a bidder confidential and reject all  
10 requests to disclose the information so designated, if the Chief  
11 Information Officer requires the bidder to submit the financial or  
12 proprietary information with a bid, proposal, or quotation.

13 I. The Information Services Division of the Office of  
14 Management and Enterprise Services and the Chief Information Officer  
15 shall be subject to The Oklahoma Central Purchasing Act for the  
16 approval and purchase of equipment and products not related to  
17 information and telecommunications technology, equipment, software,  
18 products and related peripherals and services and shall also be  
19 subject to the requirements of the Public Competitive Bidding Act of  
20 1974, the Oklahoma Lighting Energy Conservation Act and the Public  
21 Building Construction and Planning Act when procuring data  
22 processing, information technology, telecommunication, and related  
23 peripherals and services and when constructing information  
24 technology and telecommunication facilities, telecommunication

1 networks and supporting infrastructure. The Chief Information  
2 Officer shall be authorized to delegate all or some of the  
3 procurement of information technology and telecommunication products  
4 and services and construction of facilities and telecommunication  
5 networks to another state entity if the Chief Information Officer  
6 determines it to be cost-effective and in the best interest of the  
7 state. The Chief Information Officer shall have authority to  
8 designate information technology and telecommunication contracts as  
9 statewide contracts and mandatory statewide contracts pursuant to  
10 Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate  
11 consolidation contracts, enterprise agreements and high technology  
12 systems contracts in accordance with the procedures outlined in  
13 Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract  
14 entered into by a state agency for which the Chief Information  
15 Officer has not acted as the Information Technology and  
16 Telecommunications Purchasing Director as required in this  
17 subsection or subsection H of this section, shall be deemed to be  
18 unenforceable and the Office of Management and Enterprise Services  
19 shall not process any claim associated with the provisions thereof.

20 J. The Chief Information Officer shall establish, implement,  
21 and enforce policies and procedure for the development and  
22 procurement of an interoperable radio communications system for  
23 state agencies. The Chief Information Officer shall work with local  
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1 governmental entities in developing the interoperable radio  
2 communications system.

3 K. The Chief Information Officer shall develop and implement a  
4 plan to utilize open source technology and products for the  
5 information technology and telecommunication systems of all state  
6 agencies.

7 L. All state agencies and authorities of this state and all  
8 officers and employees of those entities shall work and cooperate  
9 with and lend assistance to the Chief Information Officer and the  
10 Information Services Division of the Office of Management and  
11 Enterprise Services and provide any and all information requested by  
12 the Chief Information Officer.

13 M. The Chief Information Officer shall prepare an annual report  
14 detailing the ongoing net saving attributable to the reallocation  
15 and consolidation of information technology and telecommunication  
16 resources and personnel and shall submit the report to the Governor,  
17 the Speaker of the House of Representatives, and the President Pro  
18 Tempore of the Senate.

19 N. For purposes of the Oklahoma Information Services Act,  
20 unless otherwise provided for, "state agencies" shall include any  
21 office, officer, bureau, board, commission, counsel, unit, division,  
22 body, authority or institution of the executive branch of state  
23 government, whether elected or appointed; provided, except with  
24 respect to the provisions of subsection D of this section, the term

1 "state agencies" shall not include institutions within The Oklahoma  
2 State System of Higher Education, the Oklahoma State Regents for  
3 Higher Education and the telecommunications network known as OneNet.

4 0. As used in this section:

5 1. "High technology system" means advanced technological  
6 equipment, software, communication lines, and services for the  
7 processing, storing, and retrieval of information by a state agency;

8 2. "Consolidation contract" means a contract for several state  
9 or public agencies for the purpose of purchasing information  
10 technology and telecommunication goods and services; and

11 3. "Enterprise agreement" means an agreement for information  
12 technology or telecommunication goods and services with a supplier  
13 who manufactures, develops and designs products and provides  
14 services that are used by one or more state agencies.

15 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.12, as  
16 last amended by Section 11, Chapter 358, O.S.L. 2013 (62 O.S. Supp.  
17 2016, Section 34.12), is amended to read as follows:

18 Section 34.12 A. The Information Services Division of the  
19 Office of Management and Enterprise Services shall:

20 1. Coordinate information technology planning through analysis  
21 of the long-term information technology plans for each agency;

22 2. Develop a statewide information technology plan with annual  
23 modifications to include, but not be limited to, individual agency  
24

1 plans and information systems plans for the statewide electronic  
2 information technology function;

3 3. Establish and enforce minimum mandatory standards for:

- 4 a. information systems planning,
- 5 b. systems development methodology,
- 6 c. documentation,
- 7 d. hardware requirements and compatibility,
- 8 e. operating systems compatibility,
- 9 f. acquisition of software, hardware and technology-  
10 related services,
- 11 g. information security and internal controls,
- 12 h. data base compatibility,
- 13 i. contingency planning and disaster recovery, and
- 14 j. imaging systems, copiers, facsimile systems, printers,  
15 scanning systems and any associated supplies.

16 The standards shall, upon adoption, be the minimum requirements  
17 applicable to all agencies. These standards shall be compatible  
18 with the standards established for the Oklahoma Government  
19 Telecommunications Network. Individual agency standards may be more  
20 specific than statewide requirements but shall in no case be less  
21 than the minimum mandatory standards. Where standards required of  
22 an individual agency of the state by agencies of the federal  
23 government are more strict than the state minimum standards, such  
24 federal requirements shall be applicable;



1       4. Develop and maintain applications for agencies not having  
2 the capacity to do so;

3       5. Operate a data service center to provide operations and  
4 hardware support for agencies requiring such services and for  
5 statewide systems;

6       6. Maintain a directory of the following which have a value of  
7 Five Hundred Dollars (\$500.00) or more: application systems, systems  
8 software, hardware, internal and external information technology,  
9 communication or telecommunication equipment owned, leased, or  
10 rented for use in communication services for state government,  
11 including communication services provided as part of any other total  
12 system to be used by the state or any of its agencies, and studies  
13 and training courses in use by all agencies of the state; and  
14 facilitate the utilization of the resources by any agency having  
15 requirements which are found to be available within any agency of  
16 the state;

17       7. Assist agencies in the acquisition and utilization of  
18 information technology systems and hardware to effectuate the  
19 maximum benefit for the provision of services and accomplishment of  
20 the duties and responsibilities of agencies of the state;

21       8. Coordinate for the executive branch of state government  
22 agency information technology activities, encourage joint projects  
23 and common systems, linking of agency systems through the review of  
24 agency plans, review and approval of all statewide contracts for

1 software, hardware and information technology consulting services  
2 and development of a statewide plan and its integration with the  
3 budget process to ensure that developments or acquisitions are  
4 consistent with statewide objectives and that proposed systems are  
5 justified and cost effective;

6 9. Develop performance reporting guidelines for information  
7 technology facilities and conduct an annual review to compare agency  
8 plans and budgets with results and expenditures;

9 10. Establish operations review procedures for information  
10 technology installations operated by agencies of the state for  
11 independent assessment of productivity, efficiency, cost  
12 effectiveness, and security;

13 11. Establish data center user charges for billing costs to  
14 agencies based on the use of all resources;

15 12. Provide system development and consultant support to state  
16 agencies on a contractual, cost reimbursement basis; and

17 13. In conjunction with the Oklahoma Office of Homeland  
18 Security, enforce the minimum information security and internal  
19 control standards established by the Information Services Division.  
20 An enforcement team consisting of the Chief Information Officer of  
21 the Information Services Division or a designee, a representative of  
22 the Oklahoma Office of Homeland Security, and a representative of  
23 the Oklahoma State Bureau of Investigation shall enforce the minimum  
24 information security and internal control standards. If the

1 enforcement team determines that an agency is not in compliance with  
2 the minimum information security and internal control standards, the  
3 Chief Information Officer shall take immediate action to mitigate  
4 the noncompliance, including the removal of the agency from the  
5 infrastructure of the state until the agency becomes compliant,  
6 taking control of the information technology function of the agency  
7 until the agency is compliant, and transferring the administration  
8 and management of the information technology function of the agency  
9 to the Information Services Division or another state agency.

10 B. No agency of the executive branch of the state shall use  
11 state funds for or enter into any agreement for the acquisition of  
12 any category of computer hardware, software or any contract for  
13 information technology or telecommunication services and equipment,  
14 service costs, maintenance costs, or any other costs or fees  
15 associated with the acquisition of the services or equipment,  
16 without written authorization of the Chief Information Officer or a  
17 designee except the following:

18 1. A purchase less than or equal to Five Thousand Dollars  
19 (\$5,000.00) if such product is purchased using a state purchase card  
20 and the product is listed on either the Approved Hardware or  
21 Approved Software list located on the Office of Management and  
22 Enterprise Services website; or

23 2. A purchase over Five Thousand Dollars (\$5,000.00) and less  
24 than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such

1 product is purchased using a state purchase card, the product is  
2 listed on an information technology or telecommunications statewide  
3 contract, and the product is listed on either the Approved Hardware  
4 or Approved Software list located on the Office of Management and  
5 Enterprise Services website.

6 If written authorization is not obtained prior to incurring an  
7 expenditure or entering into any agreement as required in this  
8 subsection or as required in Section 35.4 of this title, the Office  
9 of Management and Enterprise Services may not process any claim  
10 associated with the expenditure and the provisions of any agreement  
11 shall not be enforceable. The provisions of this subsection shall  
12 not be applicable to any member of The Oklahoma State System of  
13 Higher Education, any public elementary or secondary schools of the  
14 state, any technology center school district as defined in Section  
15 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma.

16 C. The Chief Information Officer and Information Services  
17 Division of the Office of Management and Enterprise Services and all  
18 agencies of the executive branch of the state shall not be required  
19 to disclose, directly or indirectly, any information of a state  
20 agency which is declared to be confidential or privileged by state  
21 or federal statute or the disclosure of which is restricted by  
22 agreement with the United States or one of its agencies, nor  
23 disclose information technology system details that may permit the  
24 access to confidential information or any information affecting

1 personal security, personal identity, or physical security of state  
2 assets.

3 SECTION 4. AMENDATORY 62 O.S. 2011, Section 35.4, as  
4 amended by Section 21, Chapter 358, O.S.L. 2013 (62 O.S. Supp. 2016,  
5 Section 35.4), is amended to read as follows:

6 Section 35.4 No state agency shall expend or encumber any funds  
7 for the purchase, lease, lease-purchase, lease with option to  
8 purchase, rental or other procurement of any information technology  
9 assets without the prior written approval of the Chief Information  
10 Officer except the following:

11 1. A purchase less than or equal to Five Thousand Dollars  
12 (\$5,000.00) if such product is purchased using a state purchase card  
13 and the product is listed on either the Approved Hardware or  
14 Approved Software list located on the Office of Management and  
15 Enterprise Services website; or

16 2. A purchase over Five Thousand Dollars (\$5,000.00) and less  
17 than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such  
18 product is purchased using a state purchase card, the product is  
19 listed on an information technology or telecommunications statewide  
20 contract, and the product is listed on either the Approved Hardware  
21 or Approved Software list located on the Office of Management and  
22 Enterprise Services website.

23 SECTION 5. This act shall become effective July 1, 2017.  
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1       SECTION 6. It being immediately necessary for the preservation  
2 of the public peace, health or safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

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6 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
7 04/11/2017 - DO PASS, As Amended.

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