## SUBSTITUTE SENATE BILL 5437

## State of Washington 66th Legislature 2019 Regular Session

**By** Senate Early Learning & K-12 Education (originally sponsored by Senators Wilson, C., Palumbo, Wellman, Hunt, Saldaña, Nguyen, Randall, Das, Billig, Mullet, Darneille, Dhingra, Hasegawa, Kuderer, and Takko; by request of Office of the Governor)

AN ACT Relating to expanding eligibility to the early childhood education and assistance program; amending RCW 43.216.505, 43.216.556, 43.216.555, 43.216.512, 43.216.514, 43.216.080, 43.216.540, and 43.216.550; reenacting and amending RCW 43.216.010; adding new sections to chapter 43.216 RCW; creating a new section; and providing expiration dates.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 Sec. 1. RCW 43.216.505 and 2017 3rd sp.s. c 6 s 210 are each 9 amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.216.500 through 43.216.559, 43.216.900, and 43.216.901.

13 (1) "Advisory committee" means the advisory committee under RCW14 43.216.520.

15 (2) "Approved programs" means those state-supported education and 16 special assistance programs which are recognized by the department as 17 meeting the minimum program rules adopted by the department to 18 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and 19 43.216.901 and are designated as eligible for funding by the 20 department under RCW 43.216.530 and 43.216.540. 1 (3) "Comprehensive" means an assistance program that focuses on 2 the needs of the child and includes education, health, and family 3 support services.

4 (4) "Eligible child" means a <u>three to five year-old</u> child <u>who is</u>
5 not <u>age-eligible for kindergarten ((whose)), is not a participant in</u>
6 <u>a federal or state program providing comprehensive services, and who</u>
7 is:

8 <u>(a) Entitled to enrollment in the early childhood education and</u> 9 <u>assistance program according to RCW 43.216.556. An entitled child</u> 10 <u>must meet one of the following criteria:</u>

11 <u>(i) Have a</u> family income ((is)) at or below one hundred ((ten)) 12 <u>thirty</u> percent of the federal poverty level, as published annually by 13 the federal department of health and human services, and includes a 14 child whose family is eligible for public assistance((, and who is 15 not a participant in a federal or state program providing 16 comprehensive services; a child));

17 <u>(ii) Be</u> eligible for special education due to disability under 18 RCW 28A.155.020; ((and may include children who are eligible))

19 <u>(iii) Meet criteria</u> under rules adopted by the department if the 20 number of such children equals not more than ten percent of the total 21 enrollment in the early childhood program. ((<del>Priority</del>)) <u>Preference</u> 22 for enrollment <u>in this group</u> shall be given to children from families 23 with the lowest income, children in foster care, or to eligible 24 children from families with multiple needs<u>; or</u>

(b) Allowed for enrollment in the early childhood education and assistance program according to criteria established in this chapter. An allowed child must have a family income greater than one hundred thirty percent but less than or equal to two hundred percent of the federal poverty level.

30 (5) "Family support services" means providing opportunities for 31 parents to:

32 (a) Actively participate in their child's early childhood 33 program;

34 (b) Increase their knowledge of child development and parenting 35 skills;

36 (c) Further their education and training;

37 (d) Increase their ability to use needed services in the 38 community;

39 (e) Increase their self-reliance.

1 Sec. 2. RCW 43.216.556 and 2017 3rd sp.s. c 22 s 1 are each 2 amended to read as follows:

3 (1) Funding for the program of early learning established under 4 this chapter must be appropriated to the department. ((Allocations 5 must be made on the basis of eligible children enrolled with eligible 6 providers.)) The department shall distribute funding to approved 7 early childhood education and assistance program contractors on the 8 basis of eligible children enrolled.

9 (2) The program shall be implemented in phases, so that full 10 implementation is achieved in the 2022-23 school year.

11 (3) ((For the initial phase of the early learning program in 12 school years 2011-12 and 2012-13, the legislature shall appropriate 13 funding to the department for implementation of the program in an 14 amount not less than the 2009-2011 enacted budget for the early 15 childhood education and assistance program. The appropriation shall 16 be sufficient to fund an equivalent number of slots as funded in the 17 2009-2011 enacted budget.

18 (4) Beginning in the 2013-14 school year, additional funding for 19 the program must be phased in beginning in school districts providing 20 all-day kindergarten programs under RCW 28A.150.315.

(5)) Funding shall continue to be phased in each year until full statewide implementation of the early learning program is achieved in the 2022-23 school year, at which time any ((eligible)) entitled child ((shall be)) is entitled to be enrolled in the program.

((((6))) (4) School districts and approved community-based early learning providers may contract with the department to provide services under the program. The department shall collaborate with school districts, community-based providers, and educational service districts to promote an adequate supply of approved providers.

30 Sec. 3. RCW 43.216.555 and 2018 c 155 s 4 are each amended to 31 read as follows:

(1) ((Beginning September 1, 2011,)) An early learning program to 32 provide voluntary preschool opportunities for children three and four 33 years of age shall be implemented according to the funding and 34 implementation plan in RCW 43.216.556. The program must offer a 35 comprehensive program of early childhood education and family 36 support, including parental involvement and health information, 37 38 screening, and referral services, based on family need. Participation in the program is voluntary. On a space available basis, the program 39

1 may allow enrollment of children who are not otherwise eligible by 2 assessing a fee.

3 (2) The program shall be implemented by utilizing the program 4 standards and eligibility criteria in the early childhood education 5 and assistance program in RCW 43.216.500 through 43.216.550.

(3) (a) ((Beginning in the 2015-16 school year,)) The program
implementation in this section shall prioritize early childhood
education and assistance programs located in low-income neighborhoods
within high-need geographical areas.

10 (b) Following the priority in (a) of this subsection, preference 11 shall be given to programs meeting at least one of the following 12 characteristics:

13 (i) Programs offering an extended day program for early care and 14 education;

15 (ii) Programs offering services to children diagnosed with a 16 special need; or

17 (iii) Programs offering services to children involved in the 18 child welfare system.

19 (4) The secretary shall adopt rules for the following program 20 components, as appropriate and necessary during the phased 21 implementation of the program, consistent with early achievers 22 program standards established in RCW 43.216.085:

23 (a) Minimum program standards;

24 (b) Approval of program providers; and

25 (c) Accountability and adherence to performance standards.

26 (5) The department has administrative responsibility for:

(a) Approving and contracting with providers according to rulesdeveloped by the secretary under this section;

(b) In partnership with school districts, monitoring program quality and assuring the program is responsive to the needs of eligible children;

32 (c) Assuring that program providers work cooperatively with 33 school districts to coordinate the transition from preschool to 34 kindergarten so that children and their families are well-prepared 35 and supported; and

36 (d) Providing technical assistance to contracted providers.

37 Sec. 4. RCW 43.216.512 and 2018 c 155 s 2 are each amended to 38 read as follows: 1 (1) ((The department shall adopt rules that allow the inclusion 2 of children in the early childhood education and assistance program 3 whose family income is above one hundred ten percent of the federal 4 poverty level if the number of such children equals not more than 5 twenty-five percent of total statewide enrollment.

6 (2) Children included in)) An allowed child as described in RCW 7 43.216.505 who is eligible for the early childhood education and assistance program ((under this section)) must be ((homeless or 8 impacted by specific developmental or environmental risk factors that 9 are linked by research to school performance. "Homeless" means 10 without a fixed, regular, and adequate nighttime residence as set 11 forth in the federal McKinney-Vento homeless assistance act, P.L. 12 100-77, July 22, 1987, 101 Stat. 482, and runaway and homeless youth 13 act, P.L. 93-415, Title III, September 7, 1974, 88 Stat. 1129. 14

15 (3)) enrolled, as space is available, by the department according to a system of risk factors and priority points adopted in rule. The priority system must consider risk factors that have disproportionate effects on kindergarten readiness, including:

19 (a) Child welfare system involvement;

20 <u>(b) Developmental delay or disability that does not meet the</u> 21 <u>eligibility criteria for special education described in RCW</u> 22 <u>28A.155.020;</u>

23 (c) Domestic violence;

24 (d) English as a second language;

25 (e) Expulsion from an early learning setting;

26 (f) A parent who is or has been incarcerated;

27 (g) A parent with a substance use disorder or mental health 28 treatment need; and

(h) Homelessness. "Homelessness" means without a fixed, regular,
 and adequate nighttime residence as set forth in the federal
 McKinney-Vento homeless assistance act, P.L. 100-77, July 22, 1987,
 101 Stat. 482, and runaway and homeless youth act, P.L. 93-415, Title
 III, September 7, 1974, 88 Stat. 1129.

34 <u>(2)</u> Children included in the early childhood education and 35 assistance program under this section are not ((to be)) considered 36 ((eligible children as defined in RCW 43.216.505 and are not 37 considered)) to be part of the state-funded entitlement required in 38 RCW 43.216.556. 1 Sec. 5. RCW 43.216.514 and 2018 c 155 s 3 are each amended to 2 read as follows:

3 (1) The department shall prioritize children for enrollment in 4 the early childhood education and assistance program who are 5 ((eligible)) entitled for enrollment in the early childhood education 6 and assistance program pursuant to RCW ((43.216.505)) 43.216.556.

7 (2) As space is available, <u>allowed</u> children <u>as described in RCW</u> 8 <u>43.216.505</u> may be included in the early childhood education and 9 assistance program pursuant to RCW 43.216.512. ((<del>Priority within this</del> 10 group must be given to children who are experiencing homelessness, 11 child welfare system involvement, or a developmental delay or 12 disability that does not meet the eligibility criteria for special 13 education adopted under RCW 28A.155.020.))

14 <u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 43.216
15 RCW to read as follows:

16 (1) The department shall develop recommendations related to 17 differential slot rates for the early childhood education and 18 assistance program based on variable factors that may contribute to 19 costs for providers when working to achieve positive child outcomes. 20 When developing the recommendations, the department must:

(a) Consider, at a minimum, variations by geographic region,
 contractor type, child risk factors, and teacher credentials;

(b) Evaluate advantages and disadvantages of linking early childhood education and assistance program rates and other child care subsidy rates; and

26 (c) Review the department-designated subsidy regions and adjust 27 regional boundaries as necessary to reflect regional economic 28 conditions.

(2) The department must submit the recommendations and a report on the results of the regional subsidy boundary review to the governor and the legislature by September 1, 2020.

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(3) This section expires December 1, 2020.

33 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 43.216 34 RCW to read as follows:

(1) Subject to amounts appropriated for this specific purpose, the department shall establish a pilot project to implement a statefunded birth to three early childhood education and assistance

program to eligible children under thirty-six months old. The pilot project must start by January 1, 2020, and conclude June 30, 2023.

3 (2) The department may adopt rules to implement the pilot project and may waive or adapt pilot project requirements when necessary to 4 allow for the operation of the birth to three early childhood 5 6 education and assistance program. The department shall consider early 7 head start rules and regulations when developing the provider and family eligibility requirements and program requirements. Any 8 deviations from early head start standards, rules, or regulations 9 must be identified and explained by the department in the annual 10 report that it must submit to the governor and legislature under 11 12 subsection (7) of this section.

(3) (a) The pilot project programs must be delivered through child care centers and family home providers who meet minimum licensing standards and are enrolled in early achievers.

16 (b) The department must determine minimum early achievers ratings 17 scores for programs participating in the pilot project.

18 (4) The department shall select up to ten pilot project locations during the first year of the pilot project. Each pilot project 19 location may have up to three classrooms per location. When selecting 20 21 and approving pilot project locations, the department shall attempt 22 to select a combination of rural, urban, and suburban locations. The department shall prioritize locations with programs 23 currently 24 operating early head start, head start, or the early childhood 25 education and assistance program.

(5) To be eligible for the birth to three early childhood education and assistance program, a child's family income must be at or below one hundred thirty percent of the federal poverty level and the child must be under thirty-six months old.

30 (6) During the pilot project, the department shall begin an 31 evaluation to analyze quality and performance measures. In the third 32 year of the pilot project, the department shall analyze child and 33 parent outcomes.

(7) (a) Beginning November 1, 2020, and each November 1st thereafter, the department shall submit an annual report to the governor and legislature that includes a status update that describes implementation of the pilot project, including a description of the participating programs and number of children and families that have been served.

1 (b) By November 1, 2024, the department shall submit a complete 2 final report that describes:

3 (i) The department's findings from the evaluation under 4 subsection (6) of this section;

5 (ii) Recommendations for modifying or expanding the birth to 6 three early childhood education and assistance program over the next 7 five years; and

8 (iii) Recommendations for eligibility requirements for families 9 and providers.

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(8) This section expires December 31, 2024.

11 Sec. 8. RCW 43.216.080 and 2017 c 178 s 2 are each amended to 12 read as follows:

(1) The foundation of quality in the early care and education 13 system in Washington is the quality rating and improvement system 14 15 entitled the early achievers program. In an effort to build on the 16 existing quality framework, enhance access to quality care for 17 children, and strengthen the entire early care and education systems 18 in the state, it is important to integrate the efforts of state and local governments, school districts, institutions of higher education 19 20 as defined in RCW 28B.10.016, and nonprofit organizations.

(2) Local governments, school districts, institutions of higher education as defined in RCW 28B.10.016, and nonprofit organizations are encouraged to collaborate with the department when establishing and strengthening early learning programs for residents.

(3) Local governments, school districts, institutions of higher
 education as defined in RCW 28B.10.016, and nonprofit organizations
 may contribute funds to the department for the following purposes:

(a) Initial investments to build capacity and quality in localearly care and education programming;

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(b) Reductions in copayments charged to parents or caregivers;

31 (c) To expand access and eligibility in the early childhood 32 education and assistance program.

33 (4) Funds contributed to the department by local governments, 34 school districts, institutions of higher education as defined in RCW 35 28B.10.016, and nonprofit organizations must be deposited in the 36 early start account established in RCW ((43.215.195)) 43.216.165.

37 (5) Children enrolled in the early childhood education and 38 assistance program with funds contributed in accordance with 39 subsection (3)(c) of this section are not considered to be eligible

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1 children as defined in RCW ((43.215.405)) <u>43.216.505</u> and are not 2 considered to be part of the state-funded entitlement required in RCW 3 ((43.215.456)) <u>43.216.556</u>.

4 Sec. 9. RCW 43.216.010 and 2017 3rd sp.s. c 6 s 201 are each 5 reenacted and amended to read as follows:

6 The definitions in this section apply throughout this chapter 7 unless the context clearly requires otherwise.

8 (1) "Agency" means any person, firm, partnership, association, 9 corporation, or facility that provides child care and early learning 10 services outside a child's own home and includes the following 11 irrespective of whether there is compensation to the agency:

12 (a) "Child day care center" means an agency that regularly 13 provides early childhood education and early learning services for a 14 group of children for periods of less than twenty-four hours;

(b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;

(c) "Family day care provider" means a child care provider who regularly provides early childhood education and early learning services for not more than twelve children in the provider's home in the family living quarters;

(d) "Nongovernmental private-public partnership" means an entity
registered as a nonprofit corporation in Washington state with a
primary focus on early learning, school readiness, and parental
support, and an ability to raise a minimum of five million dollars in
contributions;

(e) "Service provider" means the entity that operates a communityfacility.

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(2) "Agency" does not include the following:

32 (a) Persons related to the child in the following ways:

(i) Any blood relative, including those of half-blood, and
 including first cousins, nephews or nieces, and persons of preceding
 generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parentas well as the natural and other legally adopted children of such

1 persons, and other relatives of the adoptive parents in accordance 2 with state law; or

3 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of 4 this subsection, even after the marriage is terminated;

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(b) Persons who are legal guardians of the child;

6 (c) Persons who care for a neighbor's or friend's child or 7 children, with or without compensation, where the person providing 8 care for periods of less than twenty-four hours does not conduct such 9 activity on an ongoing, regularly scheduled basis for the purpose of 10 engaging in business, which includes, but is not limited to, 11 advertising such care;

12 (d) Parents on a mutually cooperative basis exchange care of one 13 another's children;

(e) Nursery schools that are engaged primarily in early childhood
education with preschool children and in which no child is enrolled
on a regular basis for more than four hours per day;

(f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, and accept only school age children;

21 (g) Seasonal camps of three months' or less duration engaged 22 primarily in recreational or educational activities;

(h) Facilities providing child care for periods of less than twenty-four hours when a parent or legal guardian of the child remains on the premises of the facility for the purpose of participating in:

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(i) Activities other than employment; or

(ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;

32 (i) Any entity that provides recreational or educational 33 programming for school age children only and the entity meets all of 34 the following requirements:

35 (i) The entity utilizes a drop-in model for programming, where 36 children are able to attend during any or all program hours without a 37 formal reservation;

38 (ii) The entity does not assume responsibility in lieu of the 39 parent, unless for coordinated transportation;

1 (iii) The entity is a local affiliate of a national nonprofit; 2 and

3 (iv) The entity is in compliance with all safety and quality
4 standards set by the associated national agency;

5 (j) A program operated by any unit of local, state, or federal 6 government;

7 (k) A program located within the boundaries of a federally
8 recognized Indian reservation, licensed by the Indian tribe;

9 (1) A program located on a federal military reservation, except 10 where the military authorities request that such agency be subject to 11 the licensing requirements of this chapter;

12 (m) A program that offers early learning and support services, 13 such as parent education, and does not provide child care services on 14 a regular basis.

15 (3) "Applicant" means a person who requests or seeks employment 16 in an agency.

17 (4) "Conviction information" means criminal history record 18 information relating to an incident which has led to a conviction or 19 other disposition adverse to the applicant.

20 (5) "Department" means the department of children, youth, and 21 families.

(6) "Early achievers" means a program that improves the quality of early learning programs and supports and rewards providers for their participation.

(7) "Early childhood education and assistance program contractor" means an organization that provides early childhood education and assistance program services under a signed contract with the department.

(8) "Early childhood education and assistance program provider" means an organization that provides site level, direct, and high quality early childhood education and assistance program services under the direction of an early childhood education and assistance program contractor.

(9) "Early start" means an integrated high quality continuum of
 early learning programs for children birth-to-five years of age.
 Components of early start include, but are not limited to, the
 following:

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(a) Home visiting and parent education and support programs;

39 (b) The early achievers program described in RCW 43.216.085;

(c) Integrated full-day and part-day high quality early learning
 programs; and

3 (d) High quality preschool for children whose family income is at 4 or below ((one)) two hundred ((ten)) percent of the federal poverty 5 level.

6 (10) "Education data center" means the education data center 7 established in RCW 43.41.400, commonly referred to as the education 8 research and data center.

9 (11) "Employer" means a person or business that engages the 10 services of one or more people, especially for wages or salary to 11 work in an agency.

12 (12) "Enforcement action" means denial, suspension, revocation, 13 modification, or nonrenewal of a license pursuant to RCW 14 43.216.325(1) or assessment of civil monetary penalties pursuant to 15 RCW 43.216.325(3).

16 (13) "Extended day program" means an early childhood education 17 and assistance program that offers early learning education for at 18 least ten hours per day, a minimum of two thousand hours per year, at 19 least four days per week, and operates year-round.

20 (14) "Full day program" means an early childhood education and 21 assistance program that offers early learning education for a minimum 22 of one thousand hours per year.

(15) "Low-income child care provider" means a person who administers a child care program that consists of at least eighty percent of children receiving working connections child care subsidy.

26 (16) "Low-income neighborhood" means a district or community 27 where more than twenty percent of households are below the federal 28 poverty level.

(17) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:

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(a) A decision issued by an administrative law judge;

36 (b) A final determination, decision, or finding made by an agency 37 following an investigation;

38 (c) An adverse agency action, including termination, revocation,39 or denial of a license or certification, or if pending adverse agency

1 action, the voluntary surrender of a license, certification, or 2 contract in lieu of the adverse action;

3 (d) A revocation, denial, or restriction placed on any 4 professional license; or

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(e) A final decision of a disciplinary board.

6 (18) "Nonconviction information" means arrest, founded 7 allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, 8 or other negative action adverse to the applicant.

9 (19) "Nonschool age child" means a child who is age six years or 10 younger and who is not enrolled in a public or private school.

11 (20) "Part day program" means an early childhood education and 12 assistance program that offers early learning education for at least 13 two and one-half hours per class session, at least three hundred 14 twenty hours per year, for a minimum of thirty weeks per year.

15 (21) "Private school" means a private school approved by the 16 state under chapter 28A.195 RCW.

17 (22) "Probationary license" means a license issued as a 18 disciplinary measure to an agency that has previously been issued a 19 full license but is out of compliance with licensing standards.

(23) "Requirement" means any rule, regulation, or standard ofcare to be maintained by an agency.

(24) "School age child" means a child who is five years of age through twelve years of age and is attending a public or private school or is receiving home-based instruction under chapter 28A.200 RCW.

26 (25) "Secretary" means the secretary of the department.

27 (26) "Washington state preschool program" means an education 28 program for children three-to-five years of age who have not yet 29 entered kindergarten, such as the early childhood education and 30 assistance program.

31 Sec. 10. RCW 43.216.540 and 1994 c 166 s 10 are each amended to 32 read as follows:

For the purposes of RCW ((28A.215.100)) <u>43.216.500</u> through ((28A.215.200 and 28A.215.900 through 28A.215.908)) <u>43.216.550</u>, <u>43.216.900</u>, and <u>43.216.901</u>, the department may award state support under RCW ((28A.215.100)) <u>43.216.500</u> through ((28A.215.160))<u>43.216.530</u> to increase the numbers of eligible children assisted by the federal or state-supported early childhood programs in this state. Priority shall be given to those geographical areas which

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include a high percentage of families qualifying under the (("eligible child" criteria)) description of entitled child established in RCW 43.215.505. The overall program funding level shall be based on an average grant per child consistent with state appropriations made for program costs: PROVIDED, That programs addressing special needs of selected groups or communities shall be recognized in the department's rules.

8 Sec. 11. RCW 43.216.550 and 1994 c 166 s 11 are each amended to 9 read as follows:

The department may solicit gifts, grants, conveyances, bequests 10 11 and devises for the use or benefit of the early childhood state education and assistance program established by RCW ((28A.215.100)) 12 <u>43.216.500</u> through ((<del>28A.215.200 and 28A.215.900 through</del> 13 28A.215.908)) 43.216.550, 43.216.900, and 43.216.901. The department 14 15 shall actively solicit support from business and industry and from 16 the federal government for the state early childhood education and 17 assistance program and shall assist local programs in developing 18 partnerships with the community for eligible children.

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