Inserts

State of Wisconsin
2013 – 2014 LEGISLATURE

LRB–1646/1
JTK:kjf:rs

DOA:.....Strichko, BB0456 – UI work search requirements

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; **relating to:** registration for work by and work search requirements
2 for unemployment insurance claimants.

Insert JTK

Page 23

Analysis by the Legislative Reference Bureau

EMPLOYMENT

Currently, with limited exceptions, in order to become and remain eligible to receive unemployment insurance benefits for any week, a claimant is required, among other things, to register for work and to conduct a reasonable search for suitable work within that week, which must include at least two actions that constitute a reasonable search as prescribed by rule by DWD. This bill requires each claimant to register for work in the manner directed by DWD and increases the minimum number of actions that a claimant must undertake to become and remain eligible for benefits to at least four actions per week. (END INSERT JTK)

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 108.04 (2) (a) 2. of the statutes is amended to read:

4 108.04 **(2)** (a) 2. As of that week, the individual has registered for work <u>as</u>
5 <u>directed by the department</u>; and

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fraudulent tax returns and credit claims; and providing information for tax–related prosecutions.

Insert RAC-1

page 55

RETIREMENT AND GROUP INSURANCE

This bill permits DETF to disclose information concerning the payment of annuities under the Wisconsin Retirement System (WRS) to DOR for the purposes of administering the payment of state taxes; collecting debts owed to DOR; locating WRS participants, or the assets of WRS participants, who have failed to file tax returns, underreported their taxable income, or who are delinquent debtors; identifying fraudulent tax returns and credit claims; or providing information for tax–related prosecutions.

End Insert RAC-1

TRANSPORTATION

DRIVERS AND MOTOR VEHICLES

Current law requires DOT to issue an identification card, upon proper application, to a resident who does not hold a valid driver's license containing a photograph. DOT must maintain current records for identification cards in the same manner as required for driver's licenses. DOT may not disclose any identification card record or other information about an identification card applicant except in limited circumstances, including to a court, district attorney, or law enforcement agency.

Current law also requires DOT to provide to DOR a person's name, address, license number, and social security number, as stated on the person's application for a driver's license or identification card, for DOR's use in administering state taxes and collecting debt.

This bill specifies that DOT may, upon request, provide to DOR identification card information maintained by DOT, including social security numbers. DOR is subject to certain confidentiality requirements with respect to this information.

***** ANALYSIS FROM –0850/7 *****

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under current law, DCF allocates specific amounts of federal moneys in each fiscal year, including Child Care Development Funds and moneys received under the Temporary Assistance for Needy Families block grant program, for various public assistance programs and for child care–related purposes, including its day care licensing activities. This bill continues, increases, decreases, and modifies those allocations.

***** ANALYSIS FROM –0903/4 *****

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W–2) program under current law, which is administered by DCF, provides work experience and benefits for low–income custodial parents who are at least 18 years old. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, who needs child care services to participate in various educational or work activities, and who satisfies other

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defender, be paid an hourly salary at any step, or part thereof, above their hourly salary on the immediately preceding June 30, when they have served with the state as assistant state public defenders or assistant attorneys general for a continuous period of 12 months. The bill provides, however, that no salary increase for an assistant state public defender or and assistant attorney general may exceed 10 percent of his or her base pay during a fiscal year.

***** ANALYSIS FROM –0798/P5 *****

This bill attaches the Wisconsin Employment Relations Commission (WERC) to DWD. Currently, WERC is an independent state agency. The bill eliminates a requirement that WERC commissioners may not have other employment and provides that newly–appointed commissioners are appointed to two–thirds of a full–time equivalent position.

***** ANALYSIS FROM –0707/2 *****

Currently, each cabinet secretary may appoint an executive assistant outside the classified service of the state civil service system to perform duties prescribed by the secretary. This bill eliminates this power and instead authorizes each secretary to appoint an assistant deputy secretary outside the classified service of the state civil service system to perform duties prescribed by the secretary.

Insert to p. 59

***** ANALYSIS FROM –0548/P1 *****

The bill allows the attorney general to appoint, in the unclassified service of the state civil service system, a solicitor general and up to three deputy solicitors general and to assign assistant attorneys general to assist the solicitor general. (End insert to p. 5

***** ANALYSIS FROM –1338/2 *****

STATE FINANCE

This bill increases the amount of state public debt that may generally be contracted to refund any unpaid indebtedness used to finance tax–supported or self–amortizing facilities from $1,775,000,000 to $3,785,000,000.

***** ANALYSIS FROM –1123/1 *****

Current statutes contain a rule of proceeding governing legislative action on certain bills. Generally, the rule provides that no bill directly or indirectly affecting general purpose revenues may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be less than a certain amount of the total general purpose revenue appropriations for that fiscal year. For fiscal years 2015–16 and 2016–17, and for each fiscal year thereafter, the amount is 2 percent of total general purpose revenue appropriations for that fiscal year.

This bill provides that for fiscal years 2015–16 and 2016–17, the amount is $65,000,000; and for 2017–18 and each fiscal year thereafter, the amount is 2 percent of total general purpose revenue appropriations for that fiscal year.

***** ANALYSIS FROM –1246/1 *****

Currently, in any fiscal year, the secretary of administration may temporarily reallocate moneys to the general fund from other state funds in an amount not to exceed, at any one time, 5 percent of the total general purpose revenue appropriations for that fiscal year. This bill increases that amount to 9 percent.

***** ANALYSIS FROM –0726/1 *****

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Insert ARG-1

fraudulent tax returns and credit claims; and providing information for tax–related prosecutions.

RETIREMENT AND GROUP INSURANCE

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TRANSPORTATION

DRIVERS AND MOTOR VEHICLES

Insert ARG-1

Page 74

Current law requires DOT to issue an identification card, upon proper application, to a resident who does not hold a valid driver's license containing a photograph. DOT must maintain current records for identification cards in the same manner as required for driver's licenses. DOT may not disclose any identification card record or other information about an identification card applicant except in limited circumstances, including to a court, district attorney, or law enforcement agency.

Current law also requires DOT to provide to DOR a person's name, address, license number, and social security number, as stated on the person's application for a driver's license or identification card, for DOR's use in administering state taxes and collecting debt.

This bill specifies that DOT may, upon request, provide to DOR identification card information maintained by DOT, including social security numbers. DOR is subject to certain confidentiality requirements with respect to this information.

END Insert ARG

***** ANALYSIS FROM –0850/7 *****

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

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***** ANALYSIS FROM –0903/4 *****

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W–2) program under current law, which is administered by DCF, provides work experience and benefits for low–income custodial parents who are at least 18 years old. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, who needs child care services to participate in various educational or work activities, and who satisfies other

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2013–2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

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PJK:eev:eev

LRB-1614/P1 ins in

do NOT use P1 ins

INS PJK-1

***** ANALYSIS FROM -0090/4 *****

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under current law, the transitional jobs demonstration project, under which DCF pays wage subsidies to employers who employ low-income individuals in transitional jobs, will end on July 1, 2013. This bill creates a Transform Milwaukee Jobs program (TMJ program) that is very similar to the transitional jobs demonstration project. Under the TMJ program, an employer, or a person with which DCF contracts to administer the program (contractor), that employs a program participant must employ the participant at least 20 hours per week at a location in this state and pay at least minimum wage. DCF pays the employer or contractor a wage subsidy that is equal to the wage the employer or contractor pays the participant, up to 40 hours per week at minimum wage, and may reimburse the employer or contractor for certain taxes and other expenses that are attributable to employment of the participant.

To be eligible, an individual must be at least 18 years old, have household income below 150 percent of the poverty line, be unemployed for at least four weeks, be ineligible to receive unemployment benefits, and not be participating in a Wisconsin Works (W-2) employment position.

END INS PJK-1

INS PJK-2

0903 VFAA

***** ANALYSIS FROM -0903/4 *****

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W-2) program under current law, which is administered by DCF, provides work experience and benefits for low-income custodial parents who are at least 18 years old. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, who needs child care services to participate in various educational or work activities, and who satisfies other eligibility criteria may receive a child care subsidy for child care services under the W-2 program. This child care subsidy program is known as Wisconsin Shares. The bill makes the following changes to Wisconsin Shares:

1. Under current law, DCF reimburses child care providers or distributes funds to county departments or tribal governing bodies for child care services provided under Wisconsin Shares and to private nonprofit agencies that provide child care for children of migrant workers. This bill provides that, in addition to the ways in which

DCF may distribute child care subsidy funds under current law, DCF may issue benefits directly to individuals who are eligible for the subsidies.

2. Under current law, counties set maximum rates, which are approved by DCF, for child care services under Wisconsin Shares. However, DCF may modify an individual child care provider's maximum rate on the basis of the child care provider's quality rating under the quality rating plan known as YoungStar. Current law allows DCF to increase the maximum rate for a provider who receives a four–star rating under YoungStar by up to 5 percent. Under this bill, DCF determines the maximum rates for child care services under Wisconsin Shares. This bill also authorizes DCF to increase the maximum rate for a child care provider who receives a four–star rating under YoungStar by up to 10 percent beginning January 1, 2014.

3. Under current law, individuals receiving child care subsidies under Wisconsin Shares must pay, as a copayment for the child care, a percentage of the cost of the child care specified by DCF in a printed copayment schedule. The bill changes the copayments that eligible individuals must pay for child care to the difference between the cost of the child care provided by the provider selected by the individual and the subsidy amount.

4. This bill changes the services and benefits that certain noncustodial parents are eligible to receive under the W–2 program. Under the bill, if a noncustodial parent of a child is required to pay child support and the custodial parent of the child is a participant in the W–2 program or is eligible to receive a child care subsidy for the child under Wisconsin Shares, the noncustodial parent is eligible to receive the following services and benefits under the W–2 program:

a. Job search assistance and case management services.

b. A monetary stipend for up to four months.

c. Work experience in one trial employment match program job.

The bill allows

5. Under the bill, any noncustodial parent who is ineligible for a job access loan solely because the individual is not a custodial parent is eligible to receive a job access loan, which is a loan provided under the W–2 program to enable an individual to obtain or continue employment.

the

***** ANALYSIS FROM –1124/4 *****

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

6. The bill provides that an individual who is eligible for a child care subsidy under Wisconsin Shares may use the subsidy for child care that is provided by an out–of–state provider. The rate at which the out–of–state provider is paid is based on the maximum rate paid to a provider in the county in which the eligible individual resides or the out–of–state provider's actual rate, whichever is lower.

***** ANALYSIS FROM –0063/4 *****

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

W–2 provides work experience to a participant through placement in one of a number of different employment positions, depending on the participant's skills, training, and experience. For one of the employment positions, called trial jobs, a

W–2 agency pays a wage subsidy to a private employer that employs a W–2 participant. The bill terminates the trial job employment position and replaces it with a trial employment match program (TEMP) that has the same features as the trial job employment position, except for a few changes.

Under current law, a W–2 agency pays an employer a wage subsidy of not more than $300 per month for full–time employment of a participant in a trial job. Under the bill, in TEMP the W–2 agency and employer will negotiate the wage subsidy, which will be paid for every hour that the participant actually works, up to 40 hours per week, at not less than the applicable minimum wage. In addition, the W–2 agency may reimburse the employer for all or a portion of certain taxes and other costs associated with employment of the participant. Currently, a participant may work in a trial job for up to three months, with a possible three–month extension. The bill changes the maximum time in a TEMP job to up to six months, with a possible three–month extension. Currently, an employer that employs a participant in a trial job must agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy under the trial job ends. For TEMP the bill adds that, if the employer does not retain the participant, the employer must serve as an employment reference for the participant or must provide the W–2 agency with a written performance evaluation with recommendations for improvement.

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FROM UP TO THREE MONTHS

In addition to replacing trial jobs with TEMP, the bill repeals the real work, real pay employment position in W–2, eliminates the subsidized private sector employment program, and eliminates the workforce attachment and advancement program.

END INS PJK-2

INS PJK–3

***** ANALYSIS FROM –1096/3 *****

FPL

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, an individual who would be eligible for MA based on eligibility for supplemental security income (SSI), but who is not eligible for SSI because he or she is employed and has too much earned and unearned income to be eligible, may pay premiums for coverage under MA if his or her family's net income is less than 250 percent of the poverty line and his or her assets do not exceed $15,000, excluding certain assets. This program is known as the MA purchase plan (MAPP).

The bill makes a number of changes to the eligibility and premium requirements under MAPP. Under current law, when determining an individual's net income, certain disregards are deducted from the individual's and his or her spouse's total earned income, then the individual's and his or her spouse's total unearned income is added. Under the bill, the same disregards as under current law are deducted from the individual's and his or her spouse's earned and unearned

income combined, then a new deduction of up to $500 per month of the individual's out–of–pocket medical and remedial expenses and long–term care costs is applied. The bill requires that, to be engaged in gainful employment, which is required for eligibility, an individual must be paying, or having withheld, certain taxes, and requires that DHS verify, through documentation provided by the individual, both the individual's income from work activity and payment or withholding of taxes.

FPL

FPL

Currently, premiums for MA coverage under MAPP are calculated by adding together all of the individual's unearned income, after certain specified amounts are deducted, and then adding 3 percent of the individual's earned income. DHS waives any premiums below $25 per month. In addition, DHS does not assess a premium if the individual's total earned and unearned income is below 150 percent of the poverty line *for a family the size of the individual's family.* Under the bill, an individual whose total earned and unearned income is at least 150 percent of the poverty line *for an individual* is required to pay a premium. The premium payable is equal to 3 percent of the individual's total earned and unearned income, after deducting the same specified amounts that are deducted under current law from an individual's unearned income, and then rounded down to the nearest $25. A minimum monthly premium of $50 is set, however, for anyone whose premium calculation is below that amount.

Certain MA programs consider an individual's income and assets when determining eligibility and any cost–sharing requirements. Under the bill, when determining eligibility or cost–sharing requirements under various MA programs, including Family Care and MAPP, DHS must exclude, to the extent approved by the federal government, independence accounts and retirement benefits that accumulated or were earned through employment income or employer contributions while the individual was employed and receiving MA coverage under MAPP. An independence account is a DHS–approved account that consists of savings from income earned while an individual is covered under MAPP.

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2 END INS PJK–3

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4 INS PJK–4

***** ANALYSIS FROM –1218/P1 *****

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

One of the benefits provided under MA is psychosocial services provided by the staff of a community–based psychosocial service program. This benefit, however, is available to a recipient under MA only if the county in which the recipient resides elects to make this benefit available under MA, in which case DHS reimburses a provider of the services for the portion of the allowable MA charge that is provided by the federal government and the county must reimburse the provider for the

remainder of the allowable MA charge. This bill provides that, if a county delivers this MA benefit on a regional basis, DHS will reimburse a provider both for the allowable MA charge that is provided by the federal government and for the remainder of the allowable charge.

***** ANALYSIS FROM –0256/1 *****

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Federal law requires that an MA recipient receive benefits in the state in which he or she resides. With some exceptions, the bill requires DHS to electronically verify the residence of an applicant for MA for purposes of determining eligibility and of a recipient of MA for purposes of determining continued eligibility when a recipient's eligibility is reviewed. If DHS is unable to electronically verify residence, an applicant or recipient must then provide DHS with adequate proof of residency.

***** ANALYSIS FROM –0217/1 *****

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, if an MA recipient has health care coverage from another source (third party), such as a health insurance policy or an employer's self–insured health plan, DHS is entitled to be reimbursed by the third party for any MA payments that DHS has made. This bill requires a third party to accept claims from DHS electronically for reimbursement of payments made under MA.

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2 END INS PJK–4

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4 INS PJK–5

***** ANALYSIS FROM –0060/3 *****

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, an individual who is obligated to pay court–ordered child support or family support (child support and maintenance combined) must pay interest at the rate of 1 percent per month on any amount of child support that is not paid on time (child support in arrears). This bill authorizes DCF to conduct a pilot program, during which time the interest rate on child support in arrears would be 0.5 percent per month.

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6 END INS PJK–5

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1 INS PJK-6

***** ANALYSIS FROM -0617/2 *****

HEALTH AND HUMAN SERVICES

OTHER HEALTH AND HUMAN SERVICES

Under current law, DHS is required to recover the amount of certain benefits (recoverable public assistance benefits) provided to individuals under certain programs (public assistance programs) by making claims against the estates of the individuals or their spouses. Recoverable public assistance benefits include benefits provided to individuals with hemophilia, cystic fibrosis, or kidney disease under the disease aids program; benefits under certain long-term care programs, including Family Care; and MA benefits provided to individuals residing in nursing homes. Also under current law, DHS may collect the amounts of those recoverable public assistance benefits provided to an individual or his or her spouse from the nonprobate property of the individual by sending an affidavit to a person who possesses the property. The bill makes some changes to those recoverable public assistance benefits recovery programs.

The bill defines the property, both estate property and nonprobate property, that is subject to recovery by DHS as all real and personal property to which the individual who received the recoverable public assistance benefits under a public assistance program (recipient) held any legal title, or in which the recipient had any legal interest, immediately before death, including assets transferred to an heir or a survivor, such as jointly owned property or property transferred by a living trust. In addition, the property subject to recovery includes any real or personal property in which the recipient's spouse had an ownership interest at the recipient's death and in which the recipient had a marital property interest at any time within five years before the recipient applied for the public assistance program or during the time that the recipient was eligible for the public assistance program. The bill provides that there is a rebuttable presumption that all nonprobate property, and all property in the estate, of the recipient's deceased surviving spouse was marital property held with the recipient and that 100 percent of that property is subject to recovery by DHS. As under current law, however, DHS may not recover nonprobate property or property in an estate if the deceased person has a surviving spouse or a child who is under age 21 or disabled, in which case DHS receives a lien in the amount that it may recover on any of the deceased person's real property.

The bill expands on the procedure under current law for recovery of nonprobate property by specifying all of the following: what information must be provided in an affidavit by DHS to a person who possesses property of a decedent; what costs will be allowed if the property was real property and the person has sold the property; that the person receiving an affidavit has the right to a fair hearing on the value of the recipient's interest in the property and how the recipient's interest is determined; and that DHS may bring an action or issue an order to compel transmittal of the property if the person does not transmit the property to DHS after receiving an affidavit.

The bill establishes procedures for DHS to follow with respect to real property owned by a recipient, both before and after death. DHS must create three documents for recording in the office of the register of deeds: 1) a REQUEST FOR NOTICE OF TRANSFER OR ENCUMBRANCE AND NOTICE OF POTENTIAL CLAIM (REQUEST); 2) a TERMINATION OF REQUEST FOR NOTICE OF TRANSFER OR ENCUMBRANCE AND NOTICE OF POTENTIAL CLAIM (TERMINATION); (3) and a CERTIFICATE OF CLEARANCE (CLEARANCE). Whenever a recipient, upon becoming eligible for a public assistance program or during the time that the recipient is eligible for a public assistance program, has a current ownership interest in real property, or has a spouse with a current ownership interest in real property in which the recipient had a marital property interest at any time within the five years before applying for the public assistance program or during the time that the recipient is eligible for the public assistance program, DHS may record a REQUEST with respect to the property. Thereafter, unless DHS has recorded a TERMINATION or a CLEARANCE with respect to the property, any title insurance company or agent conducting a title search must note that a REQUEST is recorded against the property before issuing a certificate of title insurance for the property. In addition, any person intending to transfer title to, encumber, or terminate an interest in, the property must notify DHS. If the recipient is alive when the notice is given, the person may transfer title to, encumber, or terminate an interest in, the property. If the recipient is deceased and DHS determines that it has no claim for recoverable public assistance benefits, DHS must issue a CLEARANCE to the person for recording. However, if the recipient is deceased and DHS determines that it does have a claim for recoverable public assistance benefits, DHS must send the person a statement of claim and may recover against the property in an appropriate manner, including by placing a lien on the property.

The bill sets out requirements that apply to DHS when enforcing liens on real property for recovering recoverable public assistance benefits and provides that a section of the statutes that, generally, imposes a 30–year statute of limitations on the commencement of actions affecting the possession or title to real property applies to liens that DHS has on real property for recovering recoverable public assistance benefits.

The bill specifies that certain transfers of real property are voidable by DHS in court actions, in which case title to the real property reverts to the grantor or his or her estate. A transfer is voidable if: the transfer was made by a grantor who was receiving or who received MA; the transfer was made while the grantor was eligible for MA; DHS was unaware of the transfer; and the transfer was made to hinder, delay, or defraud DHS from recovering MA paid on behalf of the grantor. The bill provides that there is a rebuttable presumption that any transfer of the property for less than fair market value or one in which the deed or other conveyance was not recorded during the lifetime of the grantor was made to hinder, delay, or defraud DHS from recovering MA if the transfer was made by a grantor who was eligible for MA when the transfer was made.

The bill requires trustees of living trusts to notify DHS, within 30 days after the death of the trust settlor and before any assets are distributed, if the trust settlor,

or his or her predeceased spouse, received any recoverable public assistance benefits. If DHS sends the trustee a claim for the recovery of recoverable public assistance benefits, the trustee must, within 90 days, pay DHS the amount that it may recover or provide DHS with information about any property that was distributed and to whom it was distributed. The bill requires a trustee of a special needs or pooled trust, the beneficiaries of which receive MA, to provide notice to DHS within 30 days after the death of a trust beneficiary, and to repay DHS, within 90 days after receiving a claim from DHS, for the amount of MA paid on behalf of the beneficiary. If the trustee fails to comply with the notice or repayments requirements, the trustee is personally liable to DHS for any MA amounts paid on behalf of the beneficiary that DHS is unable to recover. The bill also provides that, after the death of a beneficiary under a pooled trust, the trustee may retain up to 30 percent of the balance in the deceased beneficiary's account, unless the trustee fails to comply with the notice and repayment requirements, in which case the trustee may not retain any of the balance in the deceased beneficiary's account.

END INS PJK–6

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