

REQUEST FOR APPROVAL

To: Rachel Machi Wagoner
Director

From: Zoe Heller
Deputy Director, Materials Management and Local Assistance
Division
Acting Deputy Director, Policy Development and Analysis Office

Request Date: October 11, 2022

Decision Subject: Consideration of MED-Project's Annual Program Budget for Covered Drugs

Action By: October 27, 2022

Summary of Request

MED-Project USA (MED-Project) resubmitted its annual program budget, titled, *MED-Project 2022 Annual Program Budget, State of California, Covered Drugs (Annual Program Budget)* on July 29, 2022, as required by statute. This Request for Approval presents staff's analysis and compliance recommendation regarding MED-Project's *Annual Program Budget*.

Background

MED-Project is a stewardship organization that represents more than 400 covered entities under its covered drugs stewardship plan titled, *A Product Stewardship Plan for Covered Drugs from Households*, submitted on March 9, 2022.

Public Resources Code (PRC) section 42033.2(a)(2) states that, on or before March 31, 2022, and each year thereafter, a program operator shall submit to CalRecycle a program budget for stewardship program implementation for the upcoming calendar year. CalRecycle determined MED-Project's annual program budget was incomplete on May 2, 2022, and required MED-Project to revise and resubmit an annual program budget to CalRecycle within 30 days. MED-Project resubmitted its annual program budget on June 1, 2022, that CalRecycle determined was incomplete and notified MED-Project on July 1, 2022, pursuant to PRC section 42033.2(d)(1) and Title 14, California Code of Regulations (14 CCR) section 18973.1(b). MED-Project submitted its *Annual Program Budget* on July 29, 2022, that CalRecycle determined was complete and notified MED-Project on August 23, 2022. CalRecycle has 90 days from the date MED-Project submitted its complete *Annual Program Budget* to approve, disapprove, or conditionally approve the *Annual Program Budget* pursuant to PRC section 42033.2(d)(2) and 14 CCR section 18973.1. Staff's analysis of MED-Project's *Annual Program Budget* is summarized below.

Staff Analysis

1. Upcoming Calendar Year Budget

Requirement: A written program budget for stewardship program implementation for the upcoming calendar year pursuant to PRC sections 42033.2(a)(2) and 42033.2(c) and 14 CCR section 18973.6.

Result: Met requirement

MED-Project's *Annual Program Budget* includes a program budget for calendar year 2023 and addresses all annual program budget requirements.

2. Multiyear Budget

Requirement: Anticipated costs and the recommended funding level necessary to implement the stewardship program pursuant to PRC section 42033.2(c)(2) and 14 CCR section 18973.6(d).

Result: Met requirement

MED-Project's *Annual Program Budget* includes a multiyear program budget with a recommended funding level for calendar years 2022 through 2025.

3. Independent Financial Audit

Requirement: An independent financial audit of the stewardship program funded by the member covered entities participating in the stewardship program pursuant to PRC section 42033.2(c)(1) and 14 CCR section 18973.6(f).

Result: Met requirement

MED-Project's *Annual Program Budget* includes an independent financial audit that addresses all requirements.

Summary of Staff Analysis

CalRecycle staff reviewed MED-Project's *Annual Program Budget* and found it met all material requirements in PRC sections 42033.2(a)(2) and 42033.2(c) and 14 CCR sections 18973 and 18973.6.

Action

Based on the information and analysis in this Request for Approval, I hereby approve MED-Project's *Annual Program Budget*.

Signed by: Rachel Machi Wagoner, Director

Dated: October 18, 2022

Attachments:

Documents listed below are posted to CalRecycle's website. To request documents that are referenced in this report but are not listed below, please submit a Public Records Act request (<https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/>).

1. [MED-Project 2022 Annual Program Budget, State of California, Covered Drugs](https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/) (July 29, 2022)
<https://www2.calrecycle.ca.gov/Docs/Web/121965>
2. [A Product Stewardship Plan for Covered Drugs from Households](https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/) (March 9, 2022)
<https://www2.calrecycle.ca.gov/Docs/Web/120945>
 - a. [Appendix A - Covered Entities](https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/)

<https://www2.calrecycle.ca.gov/Docs/Web/120921>

- b. [Appendix B – Covered Products](https://www2.calrecycle.ca.gov/Docs/Web/120927)
<https://www2.calrecycle.ca.gov/Docs/Web/120927>
- c. [Appendix C – Participating Authorized Collectors](https://www2.calrecycle.ca.gov/Docs/Web/121092)
<https://www2.calrecycle.ca.gov/Docs/Web/121092>
- d. [Appendix E – Potential Authorized Collectors](https://www2.calrecycle.ca.gov/Docs/Web/120936)
<https://www2.calrecycle.ca.gov/Docs/Web/120936>
- e. [Appendix K – Potential Mail-Back Distribution Locations](https://www2.calrecycle.ca.gov/Docs/Web/120939)
<https://www2.calrecycle.ca.gov/Docs/Web/120939>