



May 1, 2023

Chris Smith  
President  
The Drug Takeback Solutions Foundation  
P.O. Box 997  
Winston-Salem, NC 27102

Sent via e-mail

**Re: CalRecycle's Completeness Determination of The Foundation's 2022 Annual Report and 2024 Annual Program Budget for Covered Drugs**

Dear Chris Smith:

The Department of Resources Recycling and Recovery (CalRecycle) received The Drug Takeback Solutions Foundation's (The Foundation) 2022 annual report and 2024 annual program budget for covered drugs on March 31, 2023, titled, *The Drug Takeback Solutions Foundation State of California Stewardship Plan for Covered Drugs 2022 Annual Report and Annual Program Budget for Covered Drugs Stewardship Program*, respectively, the latter of which included an independent financial audit of The Foundation's stewardship program titled, *Drug Takeback Solutions Foundation Financial Statements, Year Ended December 31, 2022*. Public Resources Code (PRC) section 42033.2(d)(1) and Title 14 of the California Code of Regulations (14 CCR) section 18973.1(b) require CalRecycle to determine if the annual report and annual program budget are complete and notify The Foundation of its determinations within 30 days of receipt (i.e., by May 1, 2023).

Staff reviewed The Foundation's 2022 annual report and 2024 annual program budget for covered drugs for completeness pursuant to the requirements in PRC sections 42033.2(a) through (c) and 14 CCR sections 18973, 18973.1(b), 18973.4, and 18973.6 and found the annual report and annual program budget incomplete.

14 CCR Section 18973(c) requires submittals that the program operator believes are confidential in nature to include a cover letter explaining the justification of confidentiality. The Foundation's 2022 annual report for covered drugs included a document titled *Supplement\_ Confidential Collection Information* but did not include a cover letter explaining the justification of confidentiality. Therefore, the 2022 annual report for covered drugs is incomplete.

PRC section 42033.2(a)(2) requires a program operator to submit, by March 31, 2023, a written program budget for the upcoming calendar year, which includes anticipated costs as separate line items and a reserve level pursuant to 14 CCR sections 18973.6(b) and (c) for the upcoming calendar year 2024. A program budget for calendar year 2024 is required. The Foundation submitted a program budget for calendar year 2023. Therefore, the annual program budget for covered drugs is incomplete.

While not required, CalRecycle is providing additional information, for illustrative purposes only, that The Foundation can consider when preparing the revised annual program budget (see Attachment 1).

These completeness determinations are separate from the compliance determinations that CalRecycle will conduct once it receives an annual report and annual program budget it determines are complete pursuant to 14 CCR sections 18973.1(d) through (f). The Foundation must resubmit its 2022 annual report for covered drugs and its 2024 annual program budget for covered drugs to CalRecycle within 30 days of CalRecycle's notification that its annual report and annual program budget are incomplete. If CalRecycle determines, upon resubmittal, that The Foundation's annual report and annual program budget are complete, CalRecycle shall have 90 days from the date of receipt of the resubmitted 2022 annual report and 2024 annual program budget to review for compliance with all statutory and regulatory requirements and approve, conditionally approve, or disapprove the annual report and annual program budget.

Questions regarding this letter may be directed to [pharmasharps@calrecycle.ca.gov](mailto:pharmasharps@calrecycle.ca.gov).

Regards,

**Signed by:** Rachel Machi Wagoner, Director

**Dated:** April 28, 2023

Attachment 1. Staff Observations regarding in The Foundation's Annual Program Budget for Covered Drugs, for Illustrative Purposes Only

Cc: Jason Smyth, Supervisor, Pharmaceutical and Sharps Unit

Becky Haworth, Environmental Scientist, Pharmaceutical and Sharps Unit

**Attachment 1. Staff Observations regarding The Foundation's Annual Program Budget for Covered Drugs, for Illustrative Purposes Only**

<b>Number</b>	<b>Regulation Reference</b>	<b>Comment</b>
1	14 CCR 18973(a)	Ensure all submitted documents are in compliance with section 7405 of the Government Code, and the Web Content Accessibility Guidelines 2.0 published in 2008 by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria to allow for posting on the department's website pursuant to 14 CCR 18973(a).