Galvan, Patricia@DGS

From: Galvan, Patricia@DGS

Sent: Wednesday, April 13, 2022 4:25 PM

Subject: SCAN COMMUNICATION: ***UPDATE – Executive Order N-6-22***

Attachments: EO N-6-22 Joint Memo DGS and CDT and Template

Notification.pdf; N-6-22-Russia-Ukraine-Executive-Order.pdf

The message below is being sent on behalf of Assistant Chief Counsel Anna L. Woodrow, Office of Legal Services

On March 4, 2022, Governor Gavin Newsom issued **Executive Order N-6-22 (EO)** regarding <u>sanctions against Russia</u> and Russian entities and individuals. The EO directs all agencies and departments (Agencies) that are subject to the Governor's authority to take certain steps regarding existing and future state agreements. Constitutionally independent state entities are encouraged to take these steps as well.

Required steps in the EO include issuing notices and evaluating agreements for possible termination. DGS and the California Department of Technology (CDT) have issued a Joint Memo to assist with EO compliance (copy attached).

This email informs Agencies that EO N-6-22 encompasses leases, therefore Agencies should ensure the EO and all issued guidance are shared with their divisions that are involved in the leasing process so they can comply with required steps.

Guidance for Leases re Paragraphs 1-3 of the Executive Order:

- Agencies must apply the EO directives and related guidance issued by DGS/CDT to leases, including for those leases DGS has let on behalf of Agencies. This includes, but is not limited to, sending the template notice provided in the attached Joint Memo and identifying any leases with individuals or entities that are subject to Economic Sanctions to evaluate for possible termination, pursuant to Paragraphs 1-3 of the Executive Order.
- It is understood that potential termination of a lease pursuant to Paragraphs 1-3 of the Executive Order raises several issues that must be considered. Agencies should include their legal counsel in the evaluation and potential termination of any agreements, including leases.
 - Note: for leases let by DGS on behalf of Agencies, Agencies cannot terminate a lease without concurrence from DGS. In the event that Agencies conclude a termination is necessary, Agencies shall submit a CRUISE request to DGS to discuss the termination and next steps.

- DGS-RESD can assist departments by providing a list of lessor/lessee contact information if available upon request, however Agencies are responsible for all EO compliance and documentation.
 - To obtain a list of lessor/lessee information, please submit a CRUISE request.

This message will be posted to the DGS-OLS webpage: https://www.dgs.ca.gov/OLS/Ukraine-Russia. Agencies should continue to check that webpage for any further guidance and resources that may be posted.

Separate guidance concerning Paragraphs 4-5 of the Executive Order is forthcoming.

Sincerely,

Anna L. Woodrow
Assistant Chief Counsel
Office of Legal Services
State of California » Department of General Services

Patricia Galvan

Paralegal

Office of Legal Services

State of California » Department of General Services 707 3rd Street, Suite 7-330, MS-102 West Sacramento, CA 95605 http://www.ols.dgs.ca.gov