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**STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS**

1. TO: Chief Procurement Officer

2. FROM: Ted Liu

Department/Division/Agency

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:
Chinese language website development and maintenance

4. Name of Vendor: Taiwan Yang Kuan Advertising Company
Address: 7F, No. 271, Sec. 2, Hsin-Yi Rd., Taipei 100, Taiwan

5. Price:
\$23,068.00

6. Term of Contract: From: 12/1/06 To: 2/28/07

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
1. The website must comply with Chinese government website censorship and encryption policies which are unfamiliar to Hawaii-based website design firms. Timely adjustments to rapidly changing Chinese government website policies must be done by firms familiar and sensitive to such changes. 2. The website requires speed and easy access for Taiwan, China, Hong Kong and other Chinese-speaking areas of Asia. If the website is hosted in Hawaii, speed and accessibility are hampered by filters and firewalls mandated by the Chinese government. 3. The website must be in Chinese, and local jargon and nuances specific to either Taiwan or China may not be familiar to Hawaii-based website design firms. 4. The website targets Chinese audiences and must be "localized with a high degree of sensitivity to the prevailing political and economic conditions.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
Obtained 3 bids in Taiwan (attached)

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
Normal procurement procedures will be followed if the exemption is not approved

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Ted Liu	Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Dennis Ling	Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Richard Bahar	Manager	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Alex Lei	Executive Director - Taipei	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: DBEDT Contact Name: Richard Bahar Phone Number: 587-2783 Fax Number: 587-2787
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*


12-21-06

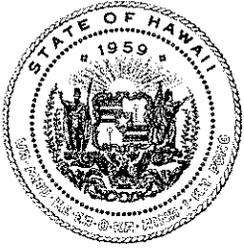
 Department Head Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>12/27/07</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="center"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments: <p align="center"> As per the DBEDT Administrative Services Office, the department will follow small purchase procedures for the requested website development services and that the total cost including any future maintenance costs will be less than \$25,000. For that reason, this request is returned to DBEDT with no action taken. </p>	

16. APPROVED DISAPPROVED NO ACTION REQUIRED



 Chief Procurement Officer Date 1/9/07



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

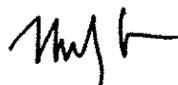
LINDA LINGLE
GOVERNOR
THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

December 18, 2006

To: Aaron S. Fujioka
State Procurement Officer

From: Theodore E. Liu 

Subject: Request for Exemption from Local Bidding for Taiwan and Beijing Office
Website Construction and Maintenance

This is to request an exemption approval from local bidding to develop and maintain a Chinese language website for our Beijing and Taipei, State of Hawaii Offices. The website will further the State's trade, investment and economic development objectives to Chinese speaking audiences in Asia. This request is based on the following requirements:

- The website must comply with Chinese government website censorship and encryption policies which are unfamiliar to Hawaii-based website design firms. Timely adjustments to rapidly changing Chinese government website policies must be done by firms familiar and sensitive to such changes.
- The website requires speed and easy access for Taiwan, China, Hong Kong and other Chinese-speaking areas of Asia. If the website is hosted in Hawaii, speed and accessibility are hampered by filters and firewalls mandated by the Chinese government.
- The website must be in Chinese, and local jargon and nuances specific to either Taiwan or China may not be familiar to Hawaii-based website design firms.
- The website targets Chinese audiences and must be "localized with a high degree of sensitivity to the prevailing political and economic conditions."

Section 201-85 specifically exempts, with the approval of the Director of Budget and Finance, DBEDT from "the following state laws only to the extent necessary for the conduct of its business in operating out-of-state offices:

- Sections 36-27 and 36-30, relating to special fund transfers and reimbursements to the general fund;
- Chapter 103D, relating to advertising for bids and purchases to be made in Hawaii, whenever public monies are expended;
- Chapter 36, relating to management of state funds;
- Chapter 38, relating to deposit of public funds;

- Chapter 40, relating to audit and accounting, except that the department shall comply with section 40-81;
- Chapter 76, relating to civil service;
- Chapter 77, relating to compensation;
- Section 78-1, relating to public employment, except when expressly hiring personnel subject to 78-1; and
- Section 171-30, relating to the acquisition of real property.”
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The Chinese language website will be the State of Hawaii’s information and marketing platform to:

1. Familiarize Chinese speaking audiences with Hawaii’s business/economic regulatory, cultural and social environment, with a view toward promoting business, investment, education and training.
2. Publicize Hawaii investment opportunities, and product and service exports.
3. Publicize missions, events, seminars, and in-country activities.
4. Increase awareness of State of Hawaii initiatives, such as affordable housing investment opportunities, immigrant investor opportunities, tourism development, and other activities.

If our request is approved, we will enter into a Letter of Agreement with a Taiwanese website design and hosting firm using our general fund BED 100 in an amount not to exceed TWENTY THREE THOUSAND SIXTY-EIGHT AND NO/100 DOLLARS (US\$23,068.00).

If you have any questions, please contact Dennis T. Ling, Strategic Marketing & Support Division Administrator, at 587-2755, or email dling@dbedt.hawaii.gov.

Thank you for your consideration of our request.

APPROVED DISAPPROVED

Aaron S. Fujioka
State Procurement Officer

Date

Hydrogen fuel research—public and private partnership (repealed July 1, 2006). L 2001, c 283.
Leasing of Hawaii film studio and continuity of film industry branch. L 1997, c 127, §§5, 6.

PART I. RESEARCH AND ECONOMIC DEVELOPMENT

§201-2 General objective, functions, and duties of department. It shall be the objective of the department of business, economic development, and tourism to make broad policy determinations with respect to economic development in the State and to stimulate through research and demonstration projects those industrial and economic development efforts that offer the most immediate promise of expanding the economy of the State. The department shall endeavor to gain an understanding of those functions and activities of other governmental agencies and of private agencies that relate to the field of economic development. It shall, at all times, encourage initiative and creative thinking in harmony with the objectives of the department.

The department of business, economic development, and tourism shall have sole jurisdiction over the land use commission under chapter 205, state planning under chapter 225M, and the Hawaii State Planning Act under chapter 226. Due to the inherently interdependent functions of development, planning, and land use, these functions shall not be transferred by executive order, directive, or memorandum, to any other department, nor shall these functions be subject to review or approval by any other department. [L 1955, c 264, pt of §1; RL 1955, §28A-5; am L 1957, c 23, §4; am L Sp 1959 2d, c 1, §§10, 25; am L 1963, c 2, §3; HRS §201-2; am L 1987, c 336, §7; am L 1990, c 293, §8; am L Sp 2005, c 12, §2]

§201-15 REPEALED. L 2003, c 178, §2.

[§201-16] Annual report; workforce development. The department of business, economic development, and tourism shall submit an annual report to the legislature on the department's efforts to increase the number of high-skilled jobs in targeted industry clusters consistent with the efforts of the workforce development council. The department of business, economic development, and tourism shall post the annual report electronically on the Internet. [L 2003, c 148, §2]

[PART IV.] FACILITATION OF PERMIT PROCESSING

§201-62.5 REPEALED. L 2003, c 3, §18.

[PART VI.] OUT-OF-STATE OFFICES

§201-85 Exemptions. The department is authorized to hire employees necessary to staff its out-of-state offices subject to chapter 76 and legislative appropriations. The department may also appoint such other employees exempt from chapter 76 as may be necessary to administer the affairs of its out-of-state offices. The initial appointment shall not exceed three years, during which time the department shall submit to the legislature a request for approval prior to continuation of the position. The department shall set the duties, responsibilities, salaries, holidays, vacations, leaves, hours of work, and working conditions for these employees. Subject to the approval of the director of budget and finance, the department may be exempted from the following state laws only to the extent necessary for the conduct of its business in operating out of state offices.

- (2) Chapter 36, relating to management of state funds;
- (3) Chapter 38, relating to deposits of public funds;
- (4) Chapter 40, relating to audit and accounting, except that the department shall comply with section 40-81;
- (5) Chapter 76, relating to civil service;
- (6) Chapter 77, relating to compensation;
- (7) Section 78-1, relating to public employment, except when expressly hiring personnel subject to section 78-1; and
- (8) Section 171-30, relating to acquisition of real property.

All moneys necessary for the establishment and operation of out-of-state office shall be allocated by the legislature through appropriations out of the state general fund. The department shall include in its budgetary request for each upcoming fiscal period, the amounts necessary to effectuate the purposes of this section. [L 1987 c 366, §2; am L 1993, c 280, §21; am L Sp 1993, c 8, §54; am L 2000, c 253, §15; am L 2004, c 216, §22]

Note

Chapter 77 referred to in text is repealed.

PART VII. TOURISM—REPEALED

§§201-91 to 99 REPEALED. L 2002, c 38, §2.

Cross References

For similar provisions, see chapter 201B.

PART VIII. RECYCLING

§201-106 REPEALED. L 2003, c 178, §3.

**CHAPTER 201B
HAWAII TOURISM AUTHORITY**

PART I. GENERAL PROVISIONS

SECTION

- 201B-1 DEFINITIONS
 - 201B-2 HAWAII TOURISM AUTHORITY; ESTABLISHMENT; BOARD; STAFF
 - 201B-2.5 AUTHORITY, PRIVATE ATTORNEYS
 - 201B-3 POWERS AND DUTIES
 - 201B-5 EXEMPTION OF HAWAII TOURISM AUTHORITY FROM ADMINISTRATIVE SUPERVISION OF BOARDS AND COMMISSIONS
 - 201B-6 TOURISM MARKETING PLAN; MEASURES OF EFFECTIVENESS
 - 201B-7 TOURISM-RELATED ACTIVITIES
 - 201B-8 CONVENTION CENTER ENTERPRISE SPECIAL FUND
- PART II. TOURISM SPECIAL FUND; EXEMPTIONS; REPORTS
- 201B-11 TOURISM SPECIAL FUND

PART I. GENERAL PROVISIONS

§201B-1 Definitions. As used in this chapter:
