

EIGHTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 429

EXPLANATORY NOTE

Industry participation in the training of Science and Technology (S&T) labor force is urgently needed to boost the economy of country-side Philippines where under-employment statistics exceeds the national average of twenty percent (20%). Graduates of public higher education institutions must possess the skills and competencies required by their industrial prospective employers and/or by the business techno-preneurial environment. Full employment and/or engagement in entrepreneurial activities is an effective means to reduce poverty incidence in the country and to break the vicious cycle of poverty in Philippine countryside. The Industry-Academe Technological Park is a strategic response to this call. The Techno-Park is lodged with the University of Science and Technology of Southern Philippines (USTP) under Republic Act 10919.

Access to quality public higher education for the poor remains concentrated in the National Capital Region whilst statistics show that the highest poverty incidence is in Mindanao and Southern Philippines. This is ironic since those living under the poverty threshold are precisely the ones who are economically unable to further their education in Manila and the National Capital Region. Relevance of public higher education and training is an issue that directly impacts unemployment and underemployment. The industrial employers perennially complain of the mismatch in the skills and competencies learned from Universities and the skill requirements in the actual workplace.

The establishment of USTP responds to this fundamental problem of job-generation and economic productivity for the underprivileged sector of the Philippine society particularly in Mindanao through the Techno-Parks strategy. To realize this goal, the Techno-Parks located in Alubijid, Misamis Oriental and Claveria, Misamis Oriental need to be developed to attract industry locators to these parks. Likewise, it is deemed important that these developments be in accordance with sustainable and inclusive growth. The initial development phase of the Techno-Parks requires resources that can be provided by the State as an investment. Thereafter, the Techno-Parks can sustain their operations independent of state subsidy.

In view of the foregoing, immediate approval of this measure is earnestly requested.


RUFUS B. RODRIGUEZ



HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 429

AN ACT

ESTABLISHING THE TECHNO-PARKS DEVELOPMENT FUND (TPDF) FOR THE UNIVERSITY OF SCIENCE AND TECHNOLOGY OF SOUTHERN PHILIPPINES (USTSP), AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short Title. – This Act shall be known as the TECHNO-PARKS DEVELOPMENT FUND (TPDF) of the University of Science and Technology of Southern Philippines.

Section 2. Declaration of Policy. –It is the declared policy of the State to establish, maintain, and support a complete, adequate and integrated system of higher education relevant to the needs of the people and society, with primary focus on research and development for science and technology through partnership with the industries.

Section 3. General Mandate. – The TPDF is hereby established to ensure the sustainable partnership with the industry locators in the Technological Parks of the University of Science and Technology of Southern Philippines for efficient and effective delivery of higher education and training.

Section 4. Creation of the Techno-Parks Development Fund. The Techno-Parks Development Fund is hereby established with an initial funding of Four Billion Pesos (PhP4,000,000,000.00) and subsequent allocations of One Billion Pesos (PhP1,000,000,000.00) per year for the next five years. The required funding shall be sourced out of:

- 1% of the proceeds of the PAGCOR;
- 1% of the travel tax collection;
- 1% of the value-added taxes collected from the sale of petroleum and petroleum-based products.

Seventy five percent (75%) of the initial funding shall be used for site preparations of the Techno-Parks of USTSP to make them attractive to industry locators. Thereafter, only 15% shall be used to cover the costs of operations of the Techno-Parks while the remaining 85% shall be invested through a duly recognized Government Financial Institution (GFI). Interests and proceeds from the operations of the Techno-Parks shall form part of the Fund.

Section 5. Administration of the Fund. – There shall be created a TPDF Secretariat to be headed by a Fund Director with the rank of a Director III who shall report directly to the University President. The TPDF Secretariat shall be budgetarily and administratively separate from the University Secretariat. Staff under the Fund Director shall have expertise in the fields of financial investment, accounting, and financial analysis. The University Board of Regents shall appoint members of the Secretariat through the recommendation of the University President.

Section 6. Duties and Responsibilities of the Fund Secretariat. The Secretariat shall have the following duties and responsibilities:

- a. Prepare and recommend a Long-Term Investment Plan for the Fund;
- b. Prepare and recommend an Annual Investment Plan for the Fund;
- c. Prepare and recommend a Long-Term Lease Agreement between any industry locator and the University;
- d. Coordinate with appropriate agencies of the Government for the collection of funds due to the Techno-Parks of USTSP;
- e. Provide Secretariat and logistical support to the Industry-Academe Council as provided for under RA 10919;
- f. Ensure the availability of fund support for the operations of the Techno-Parks for higher education and training including, but not limited to, research and scientific track system for the faculty of the University.

Section 7. **Repealing Clause.** – All laws, decrees, executive orders, rules and regulations and other issuances, or parts thereof, inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

Section 8. **Separability Clause.** – If any part or provision of this Act is declared unconstitutional, or other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 9. **Effectivity.** – This Act shall take effect fifteen (15) days after its publication in at least one (1) national newspaper of general circulation.

Approved,