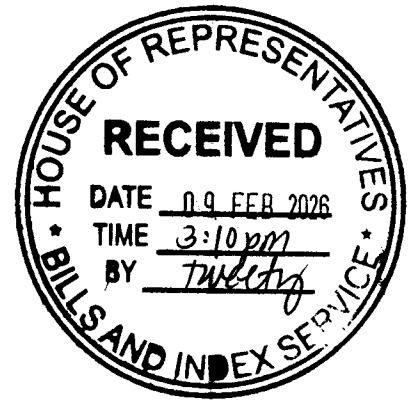


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7681



Introduced by: HON. BAMBI B. EMANO

AN ACT
ESTABLISHING THE UNIVERSITY OF SCIENCE AND
TECHNOLOGY OF SOUTHERN PHILIPPINES (USTSP) SCIENCE
AND TECHNOLOGY PARKS DEVELOPMENT FUND (STPDF),
PROVIDING FOR ITS GOVERNANCE AND UTILIZATION,
AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Article XIV, Sections 4(1) and 10 of the 1987 Constitution declare that the State shall promote quality education at all levels, encourage scientific research and invention, and provide incentives to institutions engaged in research and development, while recognizing the complementary roles of public and private educational institutions in national development. These constitutional mandates underscore the importance of strengthening state universities and colleges as engines of innovation, industry collaboration, and inclusive growth.

The University of Science and Technology of Southern Philippines (USTSP), as a premier state university system in Mindanao, has been expressly recognized under Republic Act No. 10919 as a national center of excellence in science, technology, engineering, and mathematics. Said law further designates the USTSP campuses in Alubijid and Claveria as Science and Technology (S&T) Parks intended to serve as platforms for research, innovation, and academe–industry collaboration. However, the absence of a dedicated, sustainable funding mechanism has constrained the full development and operationalization of these S&T Parks.

This bill seeks to address this gap by establishing the USTSP Science and Technology Parks Development Fund (STPDF). The proposed Fund will provide

a stable financial framework for the development, operation, and sustainability of USTSP's S&T Parks, while ensuring transparency, fiscal responsibility, and alignment with national science, technology, and innovation priorities. It further creates a multi-sectoral governing council to oversee the prudent utilization of the Fund and to strengthen collaboration among government, academe, and industry.

The establishment of the STPDF is a timely and strategic measure that will enable USTSP to fully realize its mandate as a hub for innovation, technology transfer, and human capital development in Mindanao. By fostering stronger academe–industry linkages and supporting research-driven enterprises, this measure is expected to generate employment, spur local and regional economic growth, and advance the country's global competitiveness.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



BAMBI B. EMANOG
Deputy Speaker

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

SECTION 1. Short Title – This Act shall be known as the “USTSP S&T Parks Development Fund Act.”

SEC. 2. Declaration of Policy – It is hereby declared the policy of the State to promote quality education, scientific research, and technological innovation as vital instruments for national development and global competitiveness, to recognize the complementary roles of public and private educational institutions, and to provide incentives to encourage the participation of private groups, local government units, and industries in the generation, utilization, and commercialization of science and technology. In furtherance thereof, the State shall strengthen state universities and colleges as hubs of innovation and industry collaboration through the establishment and sustainable development of science and technology parks.

SEC. 3. Science and Technology Parks – The Science and Technology Parks (S&T Parks) are designated venues for strengthening intersectoral linkages among the academe, industry, and other stakeholders for the long-term development of the academic, research, and innovation facilities of USTSP. The S&T Parks shall be open to industries and business entities willing to locate their

operations therein and actively participate in USTSP's academic, research, and innovation undertakings. Pursuant to Section 28 of Republic Act No. 10919, the Alubijid and Claveria Campuses are hereby recognized as the designated S&T Parks of USTSP.

SEC. 4. Creation of the USTSP Science and Technology Parks Development Fund – There is hereby created a special fund to be known as the USTSP S&T Parks Development Fund (STPDF), which shall be used exclusively for the development, operation, and sustainability of USTSP S&T Parks.

The Fund shall be utilized for the following purposes:

- a. Site development, including land preparation, access roads, utilities, digital infrastructure, and common facilities including free access to wireless internet connection;
- b. Construction and upgrading of shared research, incubation, and innovation facilities;
- c. Initial operating expenses necessary to attract, support, and retain industry locators;
- d. Capacity-building, technical studies, and professional services directly related to S&T Parks operations; and
- e. Such other purposes directly related to the objectives of this Act, as may be authorized by the governing body created herein.

SEC. 5. Sources of the Fund – The STPDF shall be sourced as follows:

- a. Initial capitalization in the amount of Four Billion Pesos (₱4,000,000,000.00) to be appropriated under the General Appropriations Act;
- b. An additional appropriation of One Billion Pesos (₱1,000,000,000.00) per year for the next four (4) fiscal years following the initial funding, subject to the availability of funds and the budgetary process;
- c. After the fifth (5th) year of implementation, income generated from the operation of the S&T Parks, including but not limited to lease payments, service fees, royalties, dividends, and other lawful receipts;
- d. Grants, donations, endowments, and contributions from local and foreign sources, subject to existing laws and regulations; and
- e. Such other sources as may be authorized by law.

All income of the Fund shall be retained and used exclusively for the purposes stated in this Act and shall not revert to the General Fund.

SEC. 6. Creation of the STPDF Governing Council – There is hereby created the STPDF Governing Council, hereinafter referred to as the Council, which shall serve as the principal policy-making and oversight body for the STPDF.

The Council shall be composed of:

- a. The President of USTSP, as Chairperson;
- b. The Director of the USTSP S&T Parks, as Vice Chairperson;
- c. One (1) representative from USTSP, with expertise in research, innovation, or technology commercialization;
- d. One (1) representative from duly accredited industry locators within the S&T Parks;
- e. One (1) representative from the finance or investment sector, with experience in infrastructure or innovation financing;
- f. One (1) representative from the Department of Science and Technology (DOST);
- g. One (1) representative from the Department of Trade and Industry (DTI); and
- h. One (1) council secretariat.

The members under paragraphs (c) to (g) shall be appointed by the Chairperson for a fixed term of three (3) years, renewable once.

SEC. 7. Powers, Duties, and Responsibilities of the Council – The Council shall have the following powers and duties:

- a. Formulate and approve a long-term investment and development plan for the S&T Parks;
- b. Approve the annual work and financial plan, including the annual budget and disbursement program of the Fund;
- c. Authorize and approve lease, joint venture, and partnership agreements with industry locators and strategic partners, consistent with existing laws;
- d. Ensure the proper management, utilization, and sustainability of the STPDF;
- e. Adopt internal policies, guidelines, and control mechanisms to safeguard the Fund;
- f. Ensure compliance with government accounting, auditing, and procurement laws and regulations;
- g. Require the preparation and submission of annual financial and performance reports;
- h. Commission independent audits and performance evaluations, when necessary; and
- i. Perform such other acts as may be necessary to carry out the objectives of this Act.

SEC. 8. Implementing Rules and Regulations – Within sixty (60) days from the effectivity of this Act, the USTSP, in coordination with the Department of

Science and Technology and the Department of Budget and Management, shall promulgate the necessary Implementing Rules and Regulations (IRR) to carry out the provisions of this Act.

SEC. 9. Separability Clause – If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SEC. 10. Effectivity Clause – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,