

NINETEENTH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
First Regular Session]

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SENATE

RECEIVED BY



S.B. No. 1141

Introduced by SEN. WIN GATCHALIAN

**AN ACT
REGULATING THE IMPOSITION OF FEES FOR THE USE OF PARKING
SPACES AND FACILITIES IN SHOPPING MALLS, HOSPITALS, SCHOOLS
AND SIMILAR ESTABLISHMENTS, INCLUDING VACANT LOTS USED
EXCLUSIVELY FOR PARKING AND PRESCRIBING PENALTIES FOR
VIOLATION THEREOF**

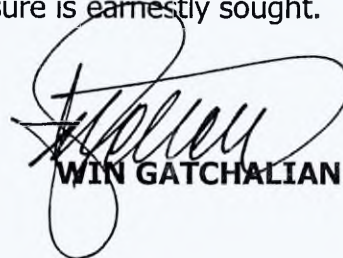
EXPLANATORY NOTE

The basic law of supply and demand denotes that scarcity of a desired commodity will cause its price to skyrocket. This principle is well-illustrated by the high parking fees charged in urban areas. Metro Manila, a city with an estimated seven (7) million private vehicles competing for parking in a cramped highly urbanized setting, has seen a proliferation of extractive parking establishments that charge exorbitant fees to desperate consumers who have no choice but to pay them.

These unfair, anti-consumer policies have gone on for long enough. It is time for Congress to employ its plenary power to regulate a problem that is simple, yet vital to millions of Filipinos in the emerging middle-class. The key is to strike an equitable middle-ground that will afford consumers the necessary protections without excessively hampering the ability of legitimate parking enterprises from conducting fair and profitable business. This legislation proposes to do exactly that by establishing

regulations for establishments charging parking fees, and providing penalties for those caught in non-compliance.

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




WIN GATCHALIAN



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

1 SECTION 1. *Short Title.* - This Act shall be known as the "Parking Fee Regulation
2 Act."

3
4 SEC. 2. *Declaration of Policy.* — It is the policy of the State to protect the
5 interests and promote the general welfare of the consumer and to establish standards
6 of conduct for business and industry.

7
8 SEC. 3. *Definition of Terms.* — For purposes of this Act, the following terms are
9 hereby defined:

1 (a) *Business establishments* include buildings that are used as offices or
2 residential units but open a part or whole of its parking spaces to the public;

3 (b) *Commercial establishments* refer to shopping malls, supermarket,
4 restaurants, hotels, wellness centers, trade exhibit, and other similar establishments
5 or activities that sell produce and services;

6 (c) *Institutions* refer to learning institutions, hospitals and similar
7 establishments;

8 (d) *Parking area* refers to parking spaces offered by commercial establishments,
9 business establishments, institutions, and parking facilities as defined in this Act;

10 (e) *Parking card* refers to an article issued by a parking attendant or a parking
11 machine to the vehicle owner upon entry in the parking area which is made with
12 polyvinyl chloride (PVC) or similar materials;

13 (f) *Parking facilities* refer to spaces or buildings dedicated primarily for offering
14 parking spaces for a fee such as parking spaces in sea ports, bus terminals and train
15 stations, park and fly, and park and ride;

16 (g) *Pass-thru* refers to temporary use of the parking area for not more than
17 thirty (30) minutes to drop off or pick up a passenger, to find a parking space, or for
18 any other reason; and

19 (h) *Parking ticket* refers to a document issued by a parking attendant or a
20 parking machine to the vehicle owner upon entry in the parking area which is made
21 with paper, cardboard or any similar materials.

22
23 SEC. 4. *Coverage*. — This Act shall cover all commercial and business
24 establishments, institutions, and parking facilities that offer to the public, for a fee,
25 the use of parking spaces located within their premises.

26
27 SEC. 5. *Regulation of Parking Fees*. — Establishments covered under Section 3
28 of this Act are encouraged to provide parking spaces for their customers free of
29 charge. Establishments that will impose parking fees for the use of their parking shall
30 be subject to the following guidelines:

1 (a) For all types of cars, the fee shall not be more than forty pesos (P40.00)
2 for the first eight (8) hours and shall not be more than ten pesos (P10.00) per hour
3 for the succeeding hours;

4 (b) For motorcycles, the fee shall not be more than thirty pesos (P30.00) for
5 the first eight (8) hours and shall not be more than ten pesos (P10.00) per hour for
6 the succeeding hours;

7 (c) For overnight parking for all types of cars, a customer shall be charged a
8 flat rate of two hundred pesos (P200.00) per vehicle which shall cover the period from
9 12:00 midnight until 8:00 o'clock in the morning. Vehicles that will enter the parking
10 premises at 6:00 o'clock in the morning shall be charged the standard rate;

11 (d) For overnight parking for motorcycles, a customer shall be charged a flat
12 rate of one hundred pesos (P100.00) per motorcycle which shall cover the period of
13 12:00 midnight until 8:00 o'clock in the morning. Motorcycles that will enter the
14 parking premises at 6:00 o'clock in the morning shall be charged the standard rate for
15 motorcycles;

16 (e) For valet services, a fee not exceeding one hundred pesos (P100.00) may
17 be charged in addition to the standard parking fee;

18 (f) For pass-thru, a grace period of thirty (30) minutes shall be given to a
19 customer wherein no fee shall be charged;

20 (g) For commercial establishments where customers go to purchase items or
21 where the customers pay fees to enjoy the services, facilities or amenities offered by
22 the establishment, the parking fee shall be waived upon presentation of a valid proof
23 of purchase or payment through a single or accumulated receipts of at least one
24 thousand pesos (P1,000.00): *Provided*, That paying customers who park for more than
25 three (3) hours may be charged the standard rate after the third hour.

26 (h) For lost or damaged parking tickets, a maximum fee of one hundred pesos
27 (P100.00) in addition to the parking fees applicable to the vehicle owner may be
28 imposed; and,

1 (i) For lost or damaged parking cards, a maximum fee of two hundred pesos
2 (P200.00) in addition to the parking fees applicable to the vehicle owner may also be
3 imposed.

4
5 SEC. 6. *Granting of Discount, Promotions, Lower Rates and Free Parking.* —
6 This Act does not prevent parking area owners from providing their parking spaces for
7 free. Granting of discounts, promotions, and lower rates to the vehicle owners are also
8 allowed.

9
10 SEC. 7. *Issuance of Parking Receipt.* — Customers shall be issued a receipt
11 upon entering or exiting a parking facility. A parking receipt must contain the effective
12 date, time, and the plate number of the motor vehicle concerned.

13
14 SEC. 8. *Information on Parking Rates.* — The rates as provided in this Act shall
15 be displayed in the entrance and other conspicuous areas of the parking area.

16
17 SEC. 9. *Prohibition on Invoking Waiver of Liability.* — Establishments shall
18 maintain and provide security in the parking spaces of their establishments. When
19 parking fees are collected from customers for the use of their parking spaces, these
20 establishments shall be responsible for the safety of patrons and shall be prohibited
21 from invoking the waiver of liability in case of loss of property or damage to the
22 customer's motor vehicle: *Provided*, That the prohibition shall likewise apply to
23 operators of buildings or vacant lots that are devoted primarily for use as parking
24 spaces.

25
26 SEC. 10. *Penalties.* — Commercial or business establishments, institutions, or
27 parking facilities that will violate the provisions of this Act shall pay the fine of one
28 hundred thousand pesos (P100,000.00) per violation, or be punished by the
29 suspension and/or revocation of their license to operate, or both, upon the discretion
30 of the court.

1 SEC. 11. *Implementing Rules and Regulations.* —The Department of Trade and
2 Industry (DTI), in consultation with the Department of Interior and Local Government
3 (DILG) and other concerned government agencies shall issue the necessary rules and
4 regulations for the effective implementation of this Act within sixty (60) days from its
5 effectivity.

6
7 SEC. 12. *Review.* —The DTI, DILG, and other concerned government agencies,
8 in consultation with the owners of the parking areas and other stakeholders, shall
9 review the parking rates set forth under this Act every two (2) years, and shall
10 recommend changes based on relevant economic indicators.

11
12 SEC. 13. *Separability Clause.* — Should any provision or part of this Act be
13 declared unconstitutional or invalid, the other provisions and parts hereof, insofar as
14 they are separable from the invalid ones, shall remain in full force and effect.

15
16 SEC. 14. *Repealing Clause.* — All laws, decrees, orders, issuances, rules and
17 regulations, or parts thereof, which are inconsistent with this Act are hereby repealed
18 or modified accordingly.

19
20 SEC. 15. *Effectivity.* — This Act shall take effect fifteen (15) days after its
21 publication in the Official Gazette or in at least two (2) newspapers of general
22 circulation.

Approved,