

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



16 AUG -8 P5:31

BY:

SENATE

S.B. No. 1003

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

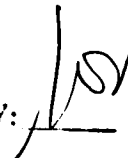
penalties for those caught in non-compliance.

Support for the passage and approval of this legislation is earnestly sought.



WIN GATCHALIAN

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Office of the Secretary
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EXCLUSIVELY FOR PARKING AND PRESCRIBING PENALTIES FOR
VIOLATION THEREOF

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

3 SECTION 1. **Short Title.** - This Act shall be known as the "*Parking Fees*
4 *Regulation Act.*"

5 SEC. 2. **Declaration of Policy.** - It is the policy of the State to protect
6 the interests and promote the general welfare of consumers. Toward this end, the
7 State shall promulgate measures that will protect consumers who avail of
8 parking facilities offered by business operators from unreasonable parking
9 rates and fees.

10 SEC. 3. **Coverage of this Act.** - This Act shall cover parking facilities for
11 all kinds of motor vehicles, including parking spaces in shopping malls, hospitals,
12 schools or other similar establishments, including vacant lots and
13 buildings that are solely devoted for use as parking.

14 SEC. 4. **Provision of Parking Spaces; Regulation of Parking Fees.** -
15 Shopping mall buildings, hospitals, schools and similar establishments are
16 encouraged to provide parking spaces for their customers free of charge.

17 For purposes of this Act, a *customer* refers to a person who purchases a

1 commodity or service.

2 Establishments which will impose parking fees for the use of their
3 parking spaces shall be subject to the following:

- 4 a) The standard parking fee shall be Forty pesos (P 40.00) per vehicle for
5 a maximum of 8 hours and an additional Ten pesos (P10.00) per
6 succeeding hour;
- 7 b) For overnight parking, a customer shall be charged a one-time fee of
8 One hundred pesos (P 100.00) per vehicle;
- 9 c) A customer shall be given a grace period of thirty (30) minutes,
10 wherein he shall not be charged the standard parking fee if his motor
11 vehicle shall have entered and exited the premises within the grace
12 period;
- 13 d) For shopping malls, restaurants, stores, and similar establishments
14 where customers go to purchase items or where the customers pay
15 fees to enjoy the services, facilities or amenities offered by the
16 establishment, the parking fee shall be waived once a customer
17 presents a validated proof of purchase or payment of not less than
18 One thousand pesos (P1,000.00): *Provided,* That the customer used
19 the parking space for a maximum of three (3) hours only: *Provided,*
20 *further,* that customers who parked their vehicle for more than three
21 (3) hours shall be charged the standard rate provided under
22 paragraph (a) of this Section.
- 23 e) Customers shall be issued a receipt upon entering or exiting a parking
24 facility. A parking receipt must contain the effective date and time and
25 the plate number of the motor vehicle the customer is paying for.

26 **SEC. 5. *Prohibition on Invoking Waiver of Liability*** - Business
27 establishments shall maintain and provide security in the parking spaces of
28 their establishments. When parking fees are collected by business
29 establishments from their customers for the use of parking spaces, these
30 establishments shall be responsible for the safety of its patrons and shall be
31 prohibited from invoking the waiver of liability in case of loss of property or
32 damage to the customer's motor vehicle.

33 The prohibition enunciated in the preceding paragraph shall likewise
34 apply to operators of buildings or vacant lots that are solely devoted for use as
35 parking spaces.

36 **SEC. 6. *Penalties.*** - Any person or establishment who, violates the

1 provisions of this Act shall be fined with not less than One hundred fifty
2 thousand pesos (P 150,000.00) per customer that is charged with an overpriced
3 parking fee, or imprisonment of not less than one (1) year but not more than
4 three (3) years, or both, upon the discretion of the court.

5 SEC. 7. **Implementing Rules and Regulations.** - The Secretary of
6 Trade and Industry shall promulgate the necessary rules and regulations for
7 the effective implementation of the provisions of this Act.

8 The Secretary of Trade and Industry is authorized to review every three
9 (3) years the applicability of Section 4 of this Act and to adjust the rate of
10 parking fees, taking into consideration the cost of maintenance of parking
11 facilities, cost of provision of security and the inflation rate of the preceding
12 year.

13 SEC. 8. **Separability Clause.** - If any provision or part of this Act is held
14 invalid or unconstitutional, the remaining parts or provisions not affected shall
15 remain in full force and effect.

16 SEC. 9. **Repealing Clause.** - All laws, executive orders, presidential
17 decrees or issuances, letter of instruction, administrative orders, rules, and
18 regulations contrary to or inconsistent with the provisions of this Act are
19 hereby repealed, amended, or modified accordingly.

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

Approved,