

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

House Bill No. 5099



Introduced by Honorable Sherwin T. Gatchalian

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.



SHERWIN T. GATCHALIAN

Representative

1st District, Valenzuela City

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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

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 “*Parking Fees Regulation Act.*”

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

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

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

For purposes of this Act, a *customer* refers to a person who purchases a commodity or service.

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

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

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

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

SEC. 6. **Penalties.** – Any person or establishment who violates the provisions of this Act shall be fined with not less than One hundred fifty thousand pesos (P 150,000.00) per customer that is charged with an overpriced parking fee, or imprisonment of not less than one (1) year but not more than three (3) years, or both, upon the discretion of the court.

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

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

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

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

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.