NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session



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SENATE

s. No. <u>669</u>

RECEIVED 87.

Introduced by SENATOR JINGGOY EJERCITO ESTRADA

AN ACT

REGULATING THE IMPOSITION OF FEES FOR THE USE OF PARKING SPACES LOCATED WITHIN COMMERCIAL AND BUSINESS ESTABLISHMENTS, INSTITUTIONS AND OTHER PARKING FACILITIES

EXPLANATORY NOTE

Parking spaces in urban areas are becoming hard to find due to continued congestion, rapid urbanization, and preference for private ownership of vehicles. The increase in the number of cars in Metro Manila triggers not only horrendous traffic, but also a tight competition for parking space in an already limited and overcrowded metropolis. Unfortunately, some establishments take advantage of the situation to exact exorbitant parking fees to their desperate clientele. In addition, some parking facilities take no responsibility for any damage or loss occurring within their premises.

This legislation aims to regulate the industry and protect the interests and welfare of the consumers, while allowing reasonable return on investments of businesses. This bill encourages the establishments to provide free parking spaces for their customers, and prescribes a ceiling on the parking rates that may be collected to enable them to recoup their capital expenditures. In addition, parking fees shall be waived for consumers who purchased items from or paid fees to enjoy facilities and amenities offered by the establishment upon presentation of a valid proof of purchase or accumulated receipts.

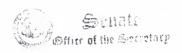
Further, this measure directs that establishments shall ensure security and safety within their parking facilities and they shall be prohibited from invoking the waiver of liability in case of loss of property or damage to the customer's motor vehicle.

This bill was reported out by the Senate Committee on Trade, Commerce and Entrepreneurship during the 18^{th} Congress.

In view of ensuring the welfare of consumers and protecting them against trade abuses and excessive and burdensome fees, the passage of this bill is recommended.

INGGOY EJERCITO ESTRADA

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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 Fee Regulation 1 Act". 2 Sec. 2. Declaration of Policy. - It is the policy of the State to protect the 3 interests and promote the general welfare of the consumer and to establish standards 4 of conduct for business and industry. 5 Sec. 3. Definition of Terms. - For purposes of this Act, the following terms are 6 hereby defined: 7 (a) Business establishments - include buildings that are used as offices or 8 residential units but open a part or whole of its parking spaces to the 9 public; 10 establishments – shopping malls, supermarkets, (b) *Commercial* 11 restaurants, hotels, wellness centers, trade exhibits, and other similar 12 establishments or activities that sell products and services; 13 (c) Institutions – learning institutions, hospitals and similar establishments; 14

(d) Parking area – parking spaces offered by commercial establishments, 1 business establishments, institutions, and parking facilities as defined in 2 this Act; 3 (e) Parking cards - article issued by a parking attendant or a parking 4 machine to the vehicle owner upon entry in the parking area which is 5 made with polyvinyl chloride (PVC) or similar materials; 6 (f) Parking facilities – spaces or buildings dedicated primarily for offering 7 parking spaces for a fee such as parking spaces in airports, sea ports, 8 bus terminals and train stations, park and fly, and park and ride; 9 (g) Pass-thru – temporary use of the parking area for not more than thirty 10 (30) minutes to drop off or pick up a passenger, to find a parking space, 11 or for any other reason; and, 12 (h) Parking ticket - document issued by a parking attendant or a parking 13 machine to the vehicle owner upon entry in the parking area which is 14 made with paper, cardboard or any similar materials. 15 Sec. 4. Coverage. - This Act shall cover all commercial and business 16 establishments, institutions, and parking facilities that offer to the public for a fee, the 17 use of parking spaces located within their premises. 18 Sec. 5. Regulation of Parking Fees. - Establishments covered under Section 3 19 of this Act are encouraged to provide parking spaces for their customers free of 20 charge. Establishments that will impose parking fees for the use of their parking 21 spaces shall be subject to the following guidelines: 22 (a) For all types of cars, the fee shall not be more than Fifty pesos (P50.00) 23 for the first eight (8) hours and shall not be more than Ten Pesos 24 (P10.00) per hour for the succeeding hours; 25 (b) For motorcycles, the fee shall not be more than Thirty pesos (P30.00) 26 for the first eight (8) hours and shall not be more than Ten pesos 27 (P10.00) per hour for the succeeding hours; 28 (c) For overnight parking for all types of cars, a customer shall be charged 29 a flat rate of Two hundred pesos (P200.00) per vehicle which shall cover

the period from 12:00 midnight until 8:00 o'clock in the morning.

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Vehicles that will enter the parking premises at 6:00 o'clock in the morning shall be charged the standard rate;

- (d) For overnight parking for motorcycles, a customer shall be charged a flat rate of One hundred pesos (P100.00) per motorcycle which shall cover the period of 12:00 midnight until 8:00 o'clock in the morning. Motorcycles that will enter the parking premises at 6:00 o'clock in the morning shall be charged the standard parking fee;
- (e) For valet services, a fee not exceeding One hundred pesos (P100.00) may be charged in addition to the standard parking fee;
- (f) For pass-thru, a grace period of thirty (30) minutes shall be given to a customer wherein no fee shall be charged;
- (g) For commercial 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 upon presentation of a valid proof of purchase or payment through a single or accumulated receipts of at least One thousand pesos (P1,000.00): *Provided*, That paying customers who park more than three (3) hours may be charged the standard rate after the third (3rd) hour;
- (h) For lost or damaged parking tickets, a maximum fee of One hundred pesos (P100.00) in addition to the parking fees applicable to the vehicle owner may be imposed; and,
- (i) For lost or damaged parking cards, a maximum fee of Two hundred pesos (P200.00) in addition to the parking fees applicable to the vehicle owner may also be imposed.
- Sec. 6. *Granting of Discounts, Promotions, Lower Rates, and Free Parking.* This Act does not prevent parking area owners from providing their parking spaces for free. Granting of discounts, promotions, and lower rates to the vehicle owners are also allowed.
- Sec. 7. *Issuance of Parking Receipt.* Customers shall be issued a receipt upon entering or exiting a parking facility. A parking receipt must contain the effective date, time, and the plate number of the motor vehicle concerned.

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

- Sec. 9. Prohibition on Invoking Waiver of Liability. Establishments shall maintain and provide security in the parking spaces of their establishments. When parking fees are collected by 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: Provided, That the prohibition shall likewise apply to operators of buildings or vacant lots that are devoted primarily for use as parking spaces.
- Sec. 10. *Penalties.* Commercial or business establishments, institutions, or parking facilities that will violate the provisions of this Act shall pay the fine of One hundred thousand pesos (P100,000.00) per violation, or be punished by the suspension and/or revocation of their license to operate, or both, upon the discretion of the court.
- Sec. 11. *Implementing Rules and Regulations.* The Department of Trade and Industry (DTI), in consultation with the Department of the Interior and Local Government (DILG) and other concerned government agencies shall issue the necessary rules and regulations for the effective implementation of this Act within sixty (60) days from its effectivity.
- Sec. 12. *Review.* The DTI, DILG, and other concerned government agencies, in consultation with the owners of the parking areas and other stakeholders shall review the parking rates set forth under this Act every two (2) years, and shall recommend changes based on relevant economic indicators.
- Sec. 13. Separability Clause. If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision or part not otherwise affected shall remain valid and subsisting.
- Sec. 14. *Repealing Clause.* Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

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

Approved,