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SENATE

S.B. No. 745

Receiv



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**

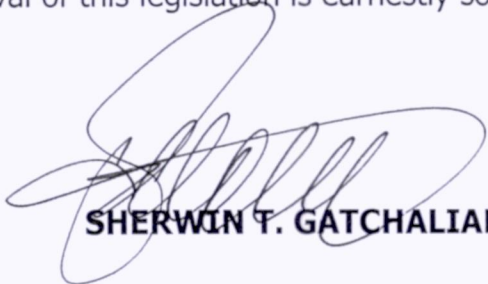
EXPLANATORY NOTE

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.



SHERWIN T. GATCHALIAN

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1 *Be it enacted by the Senate and the House of Representatives of the*
2 *Philippines 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.

1 SEC. 4. ***Provision of Parking Spaces; Regulation of Parking Fees.*** -

2 Shopping mall buildings, hospitals, schools and similar establishments are
3 encouraged to provide parking spaces for their customers free of charge.

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

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

8 a) The standard parking fee shall be Forty pesos (P 40.00) per vehicle for
9 a maximum of 8 hours and an additional Ten pesos (P10.00) per
10 succeeding hour;

11 b) For overnight parking, a customer shall be charged a one-time fee of
12 One hundred pesos (P 100.00) per vehicle;

13 c) A customer shall be given a grace period of thirty (30) minutes,
14 wherein he shall not be charged the standard parking fee if his motor
15 vehicle shall have entered and exited the premises within the grace
16 period;

17 d) For shopping malls, restaurants, stores, and similar establishments
18 where customers go to purchase items or where the customers pay
19 fees to enjoy the services, facilities or amenities offered by the
20 establishment, the parking fee shall be waived once a customer
21 presents a validated proof of purchase or payment of not less than
22 One thousand pesos (P1,000.00): *Provided*, That the customer used
23 the parking space for a maximum of three (3) hours only: *Provided*,
24 *further*, that customers who parked their vehicle for more than three
25 (3) hours shall be charged the standard rate provided under
26 paragraph (a) of this Section.

27 e) Customers shall be issued a receipt upon entering or exiting a parking
28 facility. A parking receipt must contain the effective date and time and
29 the plate number of the motor vehicle the customer is paying for.

30 SEC. 5. ***Prohibition on Invoking Waiver of Liability*** - Business
31 establishments shall maintain and provide security in the parking spaces of
32 their establishments. When parking fees are collected by business

1 establishments from their customers for the use of parking spaces, these
2 establishments shall be responsible for the safety of its patrons and shall be
3 prohibited from invoking the waiver of liability in case of loss of property or
4 damage to the customer's motor vehicle.

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

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

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

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

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

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

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

Approved,