Republic of the Philippines
HOUSE OF REPRESENTATIVES
EIGHTEENTH CONGRESS
First Regular Session
3262
HOUSE BILL NO. ___

Introduced by HONORABLE WES T. 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 policy of the State to “protect the interest of the consumers, promote the
general welfare and establish standards of conduct for business and industry” is
imbued in Article II of RA No. 7394, or the Consumer Act of the Philippines. In line
with this is the objective to protect consumers against deceptive, unfair and
unconscionable sales acts and practices.

However, operators of parking facilities in urban areas have abused the lack
of regularization in the commercial parking industry and have been engaging in
unfair and anti-consumer practices. For one, they have been charging exorbitant
fees. The consumers, who have no choice but to enter an adhesive contract, or a
take-it-or-leave it contract, with these operators are obliged to pay excessive fees
based from subjective standards.

These operators also impose a waiver of liability in case of loss of property or
damage to the customer’s motor vehicle; undermining the trust given to them by
the consumers and enabling them to easily neglect such motor vehicles with
minimal, if not completely without, legal consequences.
This bill is the first step in regularizing the commercial parking industry – an industry that is steadily gaining relevance due to the increase in number of motor vehicles in the roads and further efforts to ease traffic congestion, among others. It seeks to provide standard guidelines for a reasonable and fair price index for the cost in availing the use of these parking facilities. In this wise, enterprising operators are refrained from practices that unduly charge excessive fees. It also seeks to prohibit operators of parking facilities from invoking waiver of liability to safeguard the welfare of the consumers and afford them legal remedies in case of loss or destruction of property.

This bill does not give operators of parking facilities the shorter end of the stick. The idea is to impose more ethical standards and instill responsibility and accountability to them. The goal is to strike a balance between affording consumers the necessary protections and enabling operators to conduct a fair and profitable business.

In view of the foregoing, approval of this bill is earnestly sought.

HON. WES T. GATCHALIAN
Representative, 1st District
Valenzuela City
Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
EIGHTEENTH CONGRESS  
First Regular Session  
HOUSE BILL NO. 3262

Introduced by HONORABLE WES T. 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

Be it enacted by the Senate and the 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:

1. **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;

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

3. **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;

4. **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.

5. **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. 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,