

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
1st Regular Session

House Bill No. 5671



**Introduced by Representatives PAOLO Z. DUTERTE, ERIC G. YAP,
EDVIC G. YAP, and JEFFREY SORIANO**

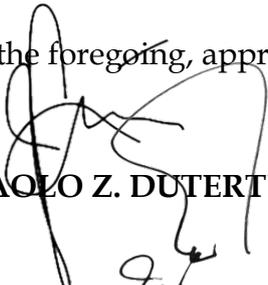
EXPLANATORY NOTE

Given the rise in the number of motor vehicles in the country, including the return of onsite or face-to-face transactions, parking spaces becomes a basic amenity once a driver, or in a general sense, a customer visits particular establishment, which include but are not limited to, shopping malls, hospitals, schools, restaurants, and other commercial buildings. While a number of consumer-friendly establishments do not charge its customers with parking fees, some charge theirs with unreasonably expensive parking fees. This generally results to the confusion of consumers on parking fees which may vary among establishments even those having the same nature or business.

Absent such legislations regulating parking fees, the parking operators continue to exhibit anti-consumer practices since consumers are left with no choice but to enter these adhesive contracts. In addition to the collection of these exorbitant parking fees, the operators also exercise the waiver of liability which absolves them from the damage or loss of motor vehicle that is entrusted under their wing despite their costly charges to its customer.

In pursuit of the constitutional guarantee “to protect the interest and promote the general welfare of the consumers”, this bill seeks to rationalize and standardized parking rates across all establishments depending on their nature, thereby protecting consumers from unscrupulous parking fee collection.

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


PAOLO Z. DUTERTE


EDVIC G. YAP


ERIC G. YAP


JEFFREY SORIANO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
1st Regular Session

House Bill No. 5671

**Introduced by Representatives PAOLO Z. DUTERTE, ERIC G. YAP,
EDVIC G. YAP, and JEFFREY SORIANO**

AN ACT
REGULATING THE OPERATIONS AND IMPOSITION OF FEES FOR THE USE
OF PARKING SPACES AND PARKING FACILITIES IN VARIOUS
ESTABLISHMENTS SUCH AS TO ACCOMMODATION, COMMERCIAL
SERVICES, FOOD SERVICES, HEALTH SERVICES, RETAIL SERVICES,
EDUCATIONAL INSTITUTIONS INCLUDING INDEPENDENT PARKING
ENTERPRISES AND PRESCRIBING PENALTIES FOR VIOLATIONS 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 Operations and Fees Regulation Act.”

SEC. 2. *Declaration of Policy.* - It is the policy of the State to prioritize public safety and public welfare, as well as to protect the interest and promote the general welfare of consumers while allowing reasonable return on investment. Towards 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. *Definition of Terms.* - As used in this Act, the following terms are defined as follows:

- a. *Accommodation establishments* refer to hotels, motels, hostels, inns, resorts, lodging facilities and all other establishments that offer accommodation facilities for lease.
- b. *Corporate offices or facilities* refer to all other public and private facilities that serve the general public which are not accommodation establishments, food service establishments, health service establishments or retail establishments, including but not limited to government and private offices.

- c. *Covered establishments* refer to accommodation establishments, corporate offices or facilities, food service establishments, health service establishments, retail establishments and all other similar establishments, whether government-owned or privately owned, including independent parking enterprises that charge a parking fee for the use of its parking spaces.
- d. *Customer* refers to a person who avails of a good or service in a covered establishment for which the parking space is primarily intended.
- e. *Educational institutions* refer to public or private schools, including daycare or childcare centers, preschools, nursery, kindergarten, elementary, secondary, tertiary or college, higher education institutions, universities, training institutions, and other learning facilities providing formal and informal education and training.
- f. *Food service establishments* refer to restaurants, food parks, or any other establishment where food is prepared or served, which are independent from existing retail establishments.
- g. *Health service establishments* refer to hospitals, clinics and other establishments that provide health services, which are independent from existing retail establishments.
- h. *Independent parking enterprises* refer to establishments, whether government-owned or privately owned, whose primary business is to provide parking spaces and charge a corresponding parking fee for its use.
- i. *Parking client* refers to a person who does not avail a good or service in a covered establishment and solely avails the use of a parking space in a covered establishment.
- j. *Parking fee* refers to the amount paid or charged for the use of a parking space in a covered establishment.
- k. *Retail establishments* refer to establishments open to the general public or selected members of the general public for the sale of goods and services, including but not limited to, shopping malls, retail stores, supermarkets, shops, and other similar establishments.

SEC. 4. Coverage of this Act. - This Act shall cover all parking facilities of covered establishments for all types of vehicles such as but not limited to bicycles, motorcycles, and automobiles.

Nothing in this Act shall prevent covered establishments from not charging any parking fee or charging less than the maximum rates imposed herein.

SEC. 5. *Provision of Parking Spaces and Regulation of Parking Fees for Health Service Establishments.* - Health service establishments are encouraged to offer their parking spaces to their customers free of charge.

Health service establishments shall provide free parking for confined patients and out-patients who avail of medical services: *Provided*, That the confined patient or out-patient shall provide proof of confinement or that medical services were indeed availed of respectively: *Provided, further*, That each patient can only avail one (1) free parking slot per day.

For parking clients, the maximum parking fee that health service establishments may impose shall be Twenty pesos (P20.00) per hour.

SEC. 6. *Provision of Parking Spaces and Regulation of Parking Fees in Accommodation Establishments.* - Accommodation establishments are encouraged to offer their parking spaces to their customers free of charge.

Accommodation establishments shall provide free parking for their customers: *Provided*, That customers shall provide proof of transaction with the accommodation establishment.

For parking clients, the maximum parking fee that accommodation establishments may impose shall be Thirty pesos (P30.00) per hour.

SEC. 7. *Provision of Parking Spaces and Regulation of Parking Fees in Food Service Establishments.* - Food service establishments are encouraged to offer their parking spaces to their customers free of charge.

Food service establishments shall provide free parking for their customers for the first two (2) hours: *Provided*, That customers shall provide proof of transaction with the food service establishment: *Provided, further*, That if a customer exceeds the grace period of two (2) hours, the maximum parking fee that may be imposed by any food service establishment shall be Twenty pesos (P20.00) per hour.

For parking clients, the maximum parking fee that food service establishments may impose shall be Twenty pesos (P20.00) per hour.

SEC. 8. *Provision of Parking Spaces and Regulation of Parking Fees for Educational Institutions.* - Educational institutions are encouraged to provide their parking spaces free of charge. Educational institutions shall provide free parking spaces for officials, employees, faculties, students, and guests: *Provided*, That necessary identification cards are presented.

For parking clients, the maximum parking fee that educational institutions may impose shall be Twenty pesos (P20.00) per hour.

SEC. 9. Provision of Parking Spaces and Regulation of Parking Fees for Retail Establishments. - Retail establishments are encouraged to offer their parking spaces to their customers free of charge.

Customers of retail establishments shall be allowed to park free of charge for a maximum of two (2) hours only: *Provided*, That such customers shall provide proof that at least One thousand pesos (P1,000.00) worth of products or services, in not more than two (2) transactions, were purchased in such establishments. If a customer exceeds the grace period of two (2) hours, the maximum parking fee that may be imposed by any retail establishment shall be Twenty pesos (P20.00) per hour but not to exceed One hundred pesos (P100.00) per day, except for those who will be subjected to the overnight parking fee.

SEC. 10. Provision of Parking Spaces and Regulation of Parking Fees for Corporate Offices or Facilities. - Corporate offices or facilities are encouraged to offer their parking spaces free of charge.

The maximum parking fee that corporate offices or facilities may impose shall be Forty pesos (P40.00) for the first four (4) hours and an additional Twenty pesos (P20.00) per succeeding hour thereafter, but in no case shall the parking fee exceed One hundred forty pesos (Php 140.00) per day.

SEC. 11. Provision of Parking Spaces and Regulation of Parking Fees for Independent Parking Enterprises. - For independent parking enterprises, the imposition of parking fees for the use of their parking spaces shall be subject to the following:

- a. **Open Parking Establishments.** For open single-level parking establishments, the maximum parking fee that may be imposed shall be Thirty pesos (P30.00) per vehicle for the first three (3) hours and an additional Twenty pesos (P20.00) per succeeding hour thereafter but not to exceed One hundred pesos (P100.00) per day, except for those who will be subjected to the overnight parking fee.
- b. **Multilevel Parking Enterprises.** For multilevel parking establishments, the maximum parking fee that may be imposed shall be Forty pesos (P40.00) per vehicle for the first three (3) hours and an additional Twenty pesos (P20.00) per succeeding hour thereafter but not to exceed One hundred pesos (P100.00) per day, except for those who will be subjected to the overnight parking fee.

SEC. 12. Street Parking Fee. - For enterprises or corporations who are duly authorized to provide and regulate street parking, the maximum parking fee that may be imposed shall be Fifty pesos (P50.00) per hour.

SEC. 13. Overnight Parking Fee. - The maximum overnight parking fee that may be imposed by any covered establishment shall be One hundred fifty pesos (P150.00) per vehicle.

SEC. 14. *Lost Parking Ticket Fee.* - The maximum lost parking ticket fee that may be imposed by any covered establishment shall be One hundred fifty pesos (P150.00) per vehicle: *Provided*, That the owner is able to provide the necessary documents to prove his or her ownership of the subject vehicle: *Provided, further*, That covered establishments shall refund the lost parking ticket fee when the customer returns or surrenders the parking ticket or card within sixty (60) days from the time they used the parking facility.

SEC. 15. *Exigent Circumstances.* - In case of natural disasters such as floods, heavy typhoons, earthquakes, volcanic eruptions, landslides, and fires, covered establishments shall waive all parking fees during the occurrence of the natural disaster. Once the natural disaster ceases, covered establishments shall issue a notice posted in three (3) conspicuous places requiring the removal of parked vehicles within twelve (12) hours. Regular parking fees shall be imposed for vehicles which remain beyond the twelve (12) hour period.

SEC. 16. *Prohibition from Invoking Waiver of Liability.* - Covered establishments shall comply with the minimum standards for parking facilities. They shall be prohibited from invoking the waiver of liability in case of loss of property or damage to the customer's or parking client's vehicle. They shall only be liable for loss of property or damage to the customer's or parking client's vehicle upon proof of failure to comply with the minimum standards required by this Act, negligence, want of care, or any similar act showing that it failed to provide safe and secure parking areas.

The prohibition enunciated in the immediately preceding paragraph shall likewise apply to operators of independent parking enterprises.

Nothing in this Act shall prevent covered establishments from collecting damages from the person primarily responsible for any injury to a customer or parking client, or damage or loss of their vehicle.

SEC. 17. *Obligations of Customers and Parking Clients in Using Parking Spaces or Facilities.* - Customers and parking clients shall observe the parking rules and regulations imposed by covered establishments as mandated in this Act and should only park in designated parking spaces of the covered establishment that they will particularly visit, do business with, or make any similar transaction.

Customers shall provide any receipt of purchase of any amount or any proof of visit in the establishment before paying. This is to avoid overcrowding of parking areas and to assure that designated spaces will be fully utilized by legitimate clients, visitors, customers, and patrons of the covered establishments.

In the same respect, customers and parking clients shall keep their receipt of entry and exit from the covered establishments for better surveillance.

SEC. 18. *Minimum Standards for Parking Facilities.* - All covered establishments charging parking fees shall maintain the following minimum standards:

- a. Customers and parking clients shall be issued a parking 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 or parking client is paying for;
- b. Such number of closed-circuit television (CCTV) cameras as may be sufficient to monitor all parked vehicles. Upon the occurrence of a crime, covered establishments shall, without delay, render immediate assistance to the victim, and allow the victim and law enforcement agencies access to the scene of the crime. Covered establishments shall also give the victim and law enforcement agencies copies of the CCTV footage which captured the incident. Refusal to allow immediate access to the crime scene or give copies of CCTV footages shall render the owner, operator, or manager of covered establishments liable for damages, as well as for obstruction of justice under Presidential Decree No. 1829;
- c. Such number of security guards to monitor all parked vehicles;
- d. Such number of entrance booths to prevent congestion in public roads and highways;
- e. Such number of exit booths to prevent congestion within the parking lot;
- f. A minimum of not less than four percent (4%) of the total parking slots per parking level, in the most convenient and accessible location, shall be reserved exclusively for Senior Citizens and Persons with Disabilities (PWDs);
- g. Minimum safety standards;
 - i. Necessary traffic safety signs;
 - ii. Pedestrians crossing signs and markings;
 - iii. Speed bumps or rumble strips; and
 - iv. The maximum speed limit shall be set at twenty kilometers per hour (20 km/hr) to ensure safety of all customers and parking clients.

SEC. 19. *Provision for Bicycle Parking.* - All covered establishments shall install a fixed structure that will serve as their designated bicycle parking areas. The number of allotted bicycle parking slots shall be determined by concerned local government units (LGUs) in coordination with the Department of Trade and Industry (DTI).

SEC. 20. *Penalties.* - Any person or establishment who violates the provisions of this Act shall be fined with not less than One hundred thousand pesos (P100,000.00)

but not more than Three hundred thousand pesos (P300,000.00) per customer that is charged with a fee beyond the maximum rates imposed herein, or a suspension or cancellation of business permits and licenses, or both, upon the discretion of the court.

SEC. 21. *Implementing Rules and Regulations (IRR).* - Within ninety (90) days from the effectivity of this Act, the DTI shall, in consultation with the Department of Transportation, Department of Public Works and Highways, and Department of the Interior and Local Government, promulgate the rules and regulations necessary to effectively implement the provisions of this Act.

The Secretary of the DTI is authorized to review the applicability of this Act and to adjust the parking fees as prescribed herein not oftener than once every three (3) years, taking into consideration the cost of maintenance of parking facilities, provision of security, real property taxes, the inflation rate and other operating expenses, but in no case shall parking fees be adjusted or increased by more than fifteen percent (15%).

SEC. 22. *Transitory Provision.* - All covered establishments are given a period of six (6) months from the effectivity of the IRR of this Act to implement the necessary logistical and technological adjustments to comply with such IRR.

SEC. 23. *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. 24. *Repealing Clause.* - All laws, executive orders, presidential decrees or issuances, letters of instruction, administrative orders, rules, and regulations as well as local ordinances contrary to or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 25. *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,