

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEETH CONGRESS
First Regular Session

HOUSE BILL NO. 780



Introduced by Representative Rex Gatchalian

AN ACT
REGULATING THE OPERATIONS AND IMPOSITION OF FEES FOR THE USE OF
PARKING SPACES AND PARKING FACILITIES IN VARIOUS ESTABLISHMENTS
SUCH AS ACCOMODATION, COMMERCIAL SERIVCES, FOOD SERVICES,
HEALTH SERVICES, RETAIL SERVICES, EDUCATIONAL INSTITUTIONS,
INCLUDING INDEPENDENT PARKING ENTERPRISES AND PRESCRIBING
PENALTIES FOR VIOLATIONS 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, otherwise known as the Consumer Act of the Philippines. In line with this is the responsibility of the State to protect consumers against deceptive, unfair and unconscionable sales acts and practices.

However, despite charging exorbitant rates for parking, parking establishments are protected from liability in case a crime happens or a third person causes damage to property occur within their premises by including a general waiver of liability in their parking tickets. This has led to basag-kotse incidents which the PNP reports to have been increasing since 2016. Moreover, when these crimes occur, law enforcement agencies face great difficulty in apprehending the persons responsible because parking establishments, instead of helping our law enforcement agencies, fail to cooperate with them.

This bill was passed on third reading during the 18th Congress and is being refiled because consumers pay fees to be able to park within these establishments but still park at their own risk. This bill seeks to strike an equitable balance that will allow parking enterprises a reasonable return on their capital while adequately

protecting consumer interests. Parking establishments, whether they are operated by public or private enterprises may charge ceiling rates, overnight parking fees, and lost parking ticket fees as provided under this bill.

In return, they are required to provide adequate infrastructure and security for the benefit of their patrons. They shall be mandated to provide security and record videos using closed-circuit television cameras. Upon the occurrence of a crime, covered establishments are mandated to render immediate assistance and allow access to the footages to the victim and law enforcement agencies. Otherwise, they shall be held liable for damages as well as for obstruction of justice under Presidential Decree No. 1829.

Most importantly, covered establishments shall be prohibited from invoking the waiver of liability in case of loss of property or damage to the vehicle. They shall be responsible for the safety of their customers and shall be liable for damages or loss of the vehicle while duly parked within their establishment.

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



HON. REX GATCHALIAN
Representative
1st District, Valenzuela City

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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 SECTION 1. **Short Title.** – This Act shall be known as “*Parking Operations*
2 *and Fees Regulation Act.*”
3

4 SEC. 2. **Declaration of Policy.** – It is the policy of the State to prioritize
5 public safety and public welfare, as well as to protect the interest and promote the
6 general welfare of consumers while allowing reasonable return on investment.
7 Towards this end, the State shall promulgate measures that will protect consumers
8 who avail of parking facilities offered by business operators from unreasonable
9 parking rates and fees.
10

11 SEC. 3. **Definition of Terms.** - As used in this Act, the following terms are
12 defined as follows:
13

14 a. *Accommodation establishments* refer to hotels, motels, hostels, inns,
15 resorts, lodging facilities and all other establishments that offer
16 facilities for accommodation for lease.
17

18 b. *Corporate offices or facilities* refer to all other public and private facilities
19 that serve the general public which are not accommodation

1 establishments, food service establishments, health service
2 establishments or retail establishments, including but not limited to
3 government and private offices.

4
5 c. *Covered establishments* refer to accommodation establishments,
6 commercial establishments, food service establishments, health service
7 establishments, retail establishments and all other similar
8 establishments, whether government-owned or privately-owned,
9 including independent parking enterprises that charge a parking fee for
10 the use of its parking spaces.

11
12 d. *Customer* refers to a person who avails of a good or service in a covered
13 establishment for which the parking space is primarily intended.

14
15 e. *Educational institutions* refer to public or private schools including
16 daycare or childcare centers, preschools, nursery, kindergarten,
17 elementary, secondary, tertiary or college, higher education
18 institutions, universities, training institutions, and other facilities
19 providing formal and informal education and training.

20
21 f. *Food service establishments* refer to restaurants, food parks, or any
22 other establishment where food is prepared or served, which are
23 independent from existing retail establishments.

24
25 g. *Health service establishments* refer to hospitals, clinics and other
26 establishments that provide health services, which are independent
27 from existing Retail Establishments.

28
29 h. *Independent parking enterprises* refer to establishments, whether
30 government-owned or privately-owned, whose primary business is to
31 provide parking spaces and charge a corresponding Parking Fee for its
32 use.

33
34 i. *Parking client* refers to a person who does not avail a good or service in
35 a covered establishment and solely avails the use of a parking space in
36 a covered establishment.

1 j. *Parking fee* refers to the amount paid or charged for the use of a parking
2 space in a covered establishment.

3
4 k. *Retail establishments* refer to establishments open to the general public
5 or selected members of the general public for the sale of goods and
6 services, including, but not limited to, shopping malls, retail stores,
7 supermarkets, shops, and other similar establishments.

8
9 SEC. 4. ***Coverage of this Act.*** – This Act shall cover all parking facilities of
10 covered establishments for all types of vehicles such as, but not limited to, bicycles,
11 motorcycles, and automobiles.

12
13 Nothing in this Act shall prevent covered establishments from not charging
14 any parking fee or charging less than the maximum rates imposed herein.

15
16 SEC. 5. ***Provision of Parking Spaces and Regulation of Parking Fees***
17 ***for Health Service Establishments.*** – Health service establishments are
18 encouraged to offer their parking spaces to their customers free of charge.

19
20 Health service establishments shall provide free parking for confined patients
21 and out-patients who avail of medical services; *Provided*, That the confined patient
22 or out-patient shall provide proof of confinement or that medical services were indeed
23 availed of, respectively; *Provided further*, That each patient can only avail one free
24 parking slot per day.

25
26 For parking clients, the maximum parking fee that health service
27 establishments may impose shall be Twenty pesos (₱20.00) per hour.

28
29 SEC. 6. ***Provision of Parking Spaces and Regulation of Parking Fees***
30 ***in Accommodation Establishments.*** – Accommodation establishments are
31 encouraged to offer their parking spaces to their customers free of charge.

32
33 Accommodation establishments shall provide free parking for their customers;
34 *Provided*, That customers shall provide proof of transaction with the accommodation
35 establishment.

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

3
4 SEC. 7. ***Provision of Parking Spaces and Regulation of Parking Fees***
5 ***in Food Service Establishments.*** – Food service establishments are encouraged to
6 offer their parking spaces to their customers free of charge.

7
8 Food service establishments shall provide free parking for their customers for
9 the first two (2) hours; *Provided*, That customers shall provide proof of transaction
10 with the food service establishment: *Provided further*, That if a customer exceeds the
11 grace period of two (2) hours, the maximum parking fee that may be imposed by any
12 food service establishment shall be Twenty pesos (P20.00) per hour.

13
14 For parking clients, the maximum parking fee that food service establishments
15 may impose shall be Twenty Pesos (P20.00) per hour.

16
17 SEC. 8. ***Provision of Parking Spaces and Regulation of Parking Fees***
18 ***for Educational Institutions.*** – Educational institutions are encouraged to provide
19 their parking spaces free of charge. Educational institutions shall provide free
20 parking spaces for officials, employees, faculties, and students; *Provided*, That
21 necessary identification cards are presented.

22
23 For parking clients, the maximum parking fee that educational institutions
24 may impose shall be Twenty Pesos (P20.00) per hour.

25
26 SEC. 9. ***Provision of Parking Spaces and Regulation of Parking Fees***
27 ***for Retail Establishments.*** – Retail establishments are encouraged to offer their
28 parking spaces to their customers free of charge.

29
30 Customers of Retail Establishments shall be allowed to park free of charge for
31 a maximum of two (2) hours only. *Provided*, That customers shall provide proof of
32 transaction with the Retail Establishment for an amount not less than One thousand
33 pesos (P1,000.00), in not more than two (2) transactions, were purchased in such
34 establishments. If a customer exceeds the grace period of two (2) hours, the
35 maximum parking fee that may be imposed by any retail establishment shall be

1 Twenty pesos (P20.00) per hour but not to One hundred pesos (P100.00) per day
2 except for those who will be subjected to the overnight parking fees.

3
4 SEC. 10. ***Provision of Parking Spaces and Regulation of Parking Fees***
5 ***for Corporate Offices or Facilities.*** – Corporate offices or facilities are encouraged
6 to offer their parking spaces free of charge.

7
8 The maximum parking fee that corporate offices or facilities may impose shall
9 be Forty pesos (P40.00) for the first four (4) hours and an additional Twenty Pesos
10 per succeeding hour thereafter but in no case shall the Parking Fee exceed One
11 hundred forty pesos (P140.00) per day.

12
13 SEC. 11. ***Provision of Parking Spaces and Regulation of Parking Fees***
14 ***for Independent Parking Enterprises.*** – For Independent parking enterprises, the
15 imposition of parking fees for the use of their parking spaces shall be subject to the
16 following:

17
18 a. *Open Parking Establishments.* For open single-level parking
19 establishments, the maximum parking fee that may be imposed shall
20 be Thirty pesos (P30.00) per vehicle for the first three (3) hours and an
21 additional Twenty pesos (P20.00) per succeeding hour thereafter but
22 not to exceed One hundred pesos (P100.00) per day, except for those
23 who will be subjected to the overnight parking fee.

24
25 b. *Multilevel Parking Enterprises.* For multilevel parking establishments,
26 the maximum parking fee that may be imposed shall be Forty pesos
27 (P40.00) per vehicle for the first three (3) hours and an additional
28 Twenty pesos (P20.00) per succeeding hour thereafter but not to exceed
29 One hundred pesos (P100.00) per day, except for those who will be
30 subjected to the overnight parking fee.

31
32 SEC. 12. ***Street Parking Fee.*** – For enterprises or corporations who are duly
33 authorized to provide and regulate street parking, the maximum parking fee that
34 may be imposed shall be Fifty pesos (P50.00) per hour.

1 SEC. 13. ***Overnight Parking Fee.*** – The maximum overnight parking fee
2 that may be imposed by any covered establishment shall be One hundred fifty pesos
3 (₱150.00) per vehicle.
4

5 SEC. 14. ***Lost Parking Ticket Fee.*** – The maximum lost parking ticket fee
6 that may be imposed by any covered establishment shall be One hundred fifty pesos
7 (₱150.00) per vehicle; *Provided*, That the owner is able to provide the necessary
8 documents to prove his or her ownership of the subject vehicle; *Provided further*, That
9 covered establishments shall refund the lost parking ticket fee when the customer
10 returns or surrenders the parking ticket or card within sixty (60) days from the time
11 they used the parking facility.
12

13 SEC. 15. ***Exigent Circumstances.*** – In case of natural disasters such as
14 floods, heavy typhoons, earthquakes, volcanic eruptions, landslides, fires, covered
15 establishments shall waive all parking fees during the occurrence of the natural
16 disaster. Once the natural disaster ceases, covered establishments shall issue a
17 notice posted in three (3) conspicuous places requiring the removal of parked vehicles
18 within twelve (12) hours. Regular parking fees shall be imposed for vehicles which
19 remain beyond the twelve (12) hour period.
20

21 SEC. 16. ***Prohibition on Invoking Waiver of Liability.*** – Covered
22 establishments shall comply with the minimum standards for parking facilities. They
23 shall be prohibited from invoking the waiver of liability in case of loss of property or
24 damage to the customer's or parking client's vehicle. They shall be liable for loss of
25 property or damage to the customer's or parking client's vehicle upon proof of failure
26 to comply with the minimum standards required by this Act, negligence, want of
27 care, or any similar act showing that it failed to provide safe and secure parking
28 areas.
29

30 The prohibition enunciated in the immediately preceding paragraph shall
31 likewise apply to operators of independent parking enterprises.
32

33 Nothing in this Act shall prevent covered establishments from collecting
34 damages from the person primarily responsible for any injury to a customer or
35 parking client, or damage or loss of their vehicle.
36

1 SEC. 17. ***Minimum Standards for Parking Facilities.*** – All covered
2 establishments charging parking fees shall maintain the following minimum
3 standards:

4
5 (A) Customers and parking clients shall be issued a parking receipt upon
6 entering or exiting a parking facility. A parking receipt must contain
7 the effective date and time and the plate number of the motor vehicle
8 the customer or parking client is paying for;

9
10 (B) Such number of closed-circuit television (CCTV) cameras as may be
11 sufficient to monitor all parked vehicles. Upon the occurrence of a
12 crime, covered establishments shall, without delay, render immediate
13 assistance to the victim and allow the victim and law enforcement
14 agencies access to the scene of the crime. Covered establishments shall
15 also give the victim and law enforcement agencies copies of the CCTV
16 footage which captured the incident. Refusal to allow immediate access
17 to the crime scene or give copies of CCTV footages shall render the
18 owner, operator, or manager of covered establishments liable for
19 damages, as well as for obstruction of justice under Presidential Decree
20 No. 1829;

21
22 (C) Such number of security guards to monitor all parked vehicles;

23
24 (D) Such number of entrance booths to prevent congestion in public roads
25 and highways;

26
27 (E) Such number of exit booths to prevent congestion within the parking
28 lot;

29
30 (F) A minimum of not less than (4%) of the total parking slots per parking
31 level, in the most convenient and accessible location, shall be reserved
32 exclusively for Senior Citizens and Persons with Disabilities (PWDs);

33
34 (G) Minimum safety standards:

35
36 (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. 18. ***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 the concerned local government units (LGUs) in coordination with the Department of Trade and Industry (DTI).

SEC. 19. ***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 (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. 20. ***Implementing Rules and Regulations (IRR).*** – Within ninety (90) days upon the effectivity of this Act, the DTI shall, in consultation with the Department of Transportation, Department of Public Works and Highways, and Department of Interior and Local Government, promulgate the rules and regulations necessary to effectively implement the provisions 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%).

1 SEC. 21. ***Transitory Provision.*** – All covered establishments are given a
2 period of six (6) months from the effectivity of the IRR of this Act to create the
3 necessary logistical and technological adjustments to comply with such IRR.

4
5 SEC. 22. ***Separability Clause.*** – If any provision or part of this Act is held
6 invalid or unconstitutional, the remaining parts or provisions not affected shall
7 remain in full force and effect.

8
9 SEC. 23. ***Repealing Clause.*** – All laws, executive orders, presidential decrees
10 or issuances, letter of instruction, administrative orders, rules, and regulations as
11 well as local ordinances contrary to or inconsistent with the provisions of this Act
12 are hereby repealed, amended, or modified accordingly.

13
14 SEC. 24. ***Effectivity Clause.*** – This Act shall take effect fifteen (15) days after
15 its publication in the *Official Gazette* or in a newspaper of general circulation.

16
17 Approved,
18