

California Service
Station &
Automotive Repair
Association

1605 Fourth St., Suite C
Santa Rosa, CA 95404

CSSARA
AUTO\$ENSE

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Phone: 707/ 545-6376 FAX: 707/ 545-6751

<http://www.cssara.org>

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**NEW LAWS RELATING TO THE
AUTOMOTIVE INDUSTRIES IN 2008**

(All go into effect January 1, 2008, unless noted otherwise)

Hot Fuel

Under AB 868, authored by Mike Davis (D-Los Angeles), California will begin work on a study of the effects of fuel temperature on consumers. Liquids like gasoline are less dense at higher temperatures, which mean consumers may receive less fuel than they have paid for.

DUI Driver's License Declaration

AB 808, authored by Assemblywoman Nicole Parra, (D-Hanford), requires applicants for a driver's license or license renewal to sign a declaration that states if they drive under the influence of alcohol or drugs and someone is killed as a result, they can be charged with murder.

Street Racing

SB 67, authored by Senator Don Perata (D-Oakland) broadens vehicle impound laws to allow law enforcement to seize a vehicle when arresting a driver for reckless driving, reckless driving in an off-street parking area or exhibition of speed.

Teen Cell Phone

SB 33, authored by Senator Joe Simitian (D-Palo Alto) and supported by AAA, prohibits anyone under age 18 from using a cell phone (hand-held or hands-free) or any other mobile service device, such as a BlackBerry™, while driving. Beginning at the same time, under SB 1613 (passed in 2006), drivers 18 and over must use a hands-free device if they are using a cell phone while driving. **These laws go into effect on July 1, 2008.**

Ticket Masking

AB 645, authored by Assemblyman Mike Feuer (D-Los Angeles), prohibits courts from allowing persons charged with driving under the influence or with a hit-and-run from attending traffic school.

Smoking with Children

SB 7, authored by Senator Jenny Oropeza (D-Long Beach), makes it illegal to smoke cigarettes, a cigar or a pipe in a motor vehicle where a minor is present. Violators can receive a fine of up to \$100 per person.

Bicycle Intersection Detectors

AB 1581, authored by Assemblywoman Jean Fuller (R-Bakersfield) requires, to the extent feasible, placement of traffic signals that detect motorcycles and bicycles at intersections.

Hidden License Plates

AB 801, authored by Assemblywoman Mimi Walters (R-Laguna Niguel) the new law prohibits the use of a device that would impair the recognition of a license plate by an electronic enforcement device like a red light camera or those at toll bridge booths.

Diesel Smog Check

AB 1488, authored by Assemblyman Tony Mendoza (D-Artesia), integrates lightweight diesel vehicles into the biennial smog check program. **This law goes into effect January 1, 2010.**

Vehicle Registration Fee Increase

AB 118, authored by Assembly Speaker Fabian Nunez (D-Los Angeles), increases the annual vehicle registration fee and the smog impact fee in order to provide revenue for research and development of alternative fuels. Consumers can expect to pay from \$3 to \$11 more when registering their vehicles. **This law is in effect from July 2008 through 2016.**

Alternative Fuels

AB 118, authored by Assembly Speaker Fabian Nunez (D-Los Angeles), creates a program to provide grants and loans to fund the research and development of alternative fuels and for a new clean air program. Owners of cars less than six years old would pay an additional \$8 dollars for smog abatement fee and an additional \$2 for registration. Funding for the program would be derived from a variety of sources with automobiles being the biggest source, contributing about \$150 million annually. This law is in effect from July 2008 through 2016.

Minimum Wage Increase

California's minimum wage has been increase to \$8.00 per hour starting January 1, 2008. The minimum wage for an automotive technician that provides their own tools has been raised to \$16.00 per hour. The federal minimum wage is \$5.85 per hour goes to \$6.55 07/24/08

Sales Tax Prepayment Adjust Rate

Effective April 1, 2007, the prepayment rates for gasoline and diesel fuel will be as follows: gasoline 17.0 cents (\$0.170) and diesel fuel 16.0 cents (\$0.160). **These rates are scheduled to remain in effect through March 31, 2008.**

New Requirement for CA Employers

Effective January 1, 2008, all CA employers are required to provide all employees with written notice of their possible right to an Earned Income Tax Credit on their federal income tax returns.

State Disability Insurance (SDI) withholding rate for 2008

The State Disability Insurance (SDI) withholding rate for 2008 has been announced as 0.8%. The SDI taxable wage limit remains at \$86,698 per employee for calendar year 2008. The maximum to withhold for each employee is \$693.58.

California Tire Tax Fee

The California Tire Fee for 2008 is \$1.75 per tire. Legislation passed extends the current \$1.75 per tire rate until January 1, 2015. This fee applies to the retail sale of any new tire, solid on pneumatic for use with motor vehicles or motorized equipment. You may choose to collect this tax from your customer.

2008 UI Tax Rate Information

The UI taxable wage limit for 2008 is \$7000 per employee per year. New employers are assigned a 3.4 percent rate. The ETT taxable wage limit for 2008 is \$7000 per employee per year.