

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF  
CALIFORNIA

Robert Ibarra Jr. v. General Motors LLC

Ibarra · No. 2:25-cv-07009-FLA (AJRx) · Decided August 20, 2025

SUMMARY

The United States District Court for the Central District of California ordered the parties to show cause why the action should not be remanded for lack of subject matter jurisdiction. The court questioned whether the amount in controversy exceeded the \$50,000 threshold applicable to Magnuson-Moss Warranty Act jurisdiction and whether removal was timely under 28 U.S.C. § 1446. Defendant was warned that failure to respond timely and adequately would result in remand without further notice.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | United States District Court for the Central District of California                                                                                                                                                                                                                                                                                                        |
| WRITING FOR THE COURT | Fernando L. Aenlle-Rocha                                                                                                                                                                                                                                                                                                                                                   |
| JURISDICTION          | United States District Court for the Central District of California                                                                                                                                                                                                                                                                                                        |
| DECIDED               | August 20, 2025                                                                                                                                                                                                                                                                                                                                                            |
| DOCKET                | 2:25-cv-07009-FLA (AJRx)                                                                                                                                                                                                                                                                                                                                                   |
| DISPOSITION           | other                                                                                                                                                                                                                                                                                                                                                                      |
| PROCEDURAL POSTURE    | Defendants removed the action from state court. The district court issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction.                                                                                                                                                                                            |
| STANDARD OF REVIEW    | The removing party bears the burden of establishing federal subject matter jurisdiction. When the amount in controversy is contested or questioned, the court evaluates the parties' proof and determines whether the jurisdictional amount has been established by a preponderance of the evidence. Removal statutes are strictly construed against removal jurisdiction. |
| PRECEDENTIAL VALUE    | Unknown                                                                                                                                                                                                                                                                                                                                                                    |

TOPICS

- subject matter jurisdiction
- civil procedure
- consumer protection

PRACTICE AREAS

## QUESTIONS PRESENTED

1. Whether the Notice of Removal adequately established federal subject matter jurisdiction over the Magnuson-Moss Warranty Act claims by demonstrating that the amount in controversy was at least \$50,000.
2. Whether Defendants timely removed the action within thirty days as required by 28 U.S.C. § 1446(b)(1).
3. Whether the court should remand the action for lack of subject matter jurisdiction.

## HOLDINGS

1. A federal court must examine its subject matter jurisdiction sua sponte before proceeding to the merits, and federal jurisdiction is presumed absent unless affirmatively established in the record.
2. Magnuson-Moss Warranty Act claims do not establish federal-question jurisdiction unless the amount in controversy is at least \$50,000, exclusive of interest and costs, computed on the basis of all claims to be determined in the suit.
3. The party seeking removal bears the burden of establishing federal jurisdiction, including a plausible allegation and, when challenged or questioned, proof by a preponderance of the evidence that the amount in controversy satisfies the jurisdictional threshold; removal must also comply with the thirty-day deadline in 28 U.S.C. § 1446(b)(1).

## KEY QUOTATIONS

*“Federal courts are courts of “limited jurisdiction,” possessing only “power authorized by the Constitution and statute[.]” (1)*

*“Courts are presumed to lack jurisdiction unless the contrary appears affirmatively from the record.” (1)*

*“Courts strictly construe the removal statute against removal jurisdiction, and “[f]ederal jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance.” (1)*

*“The parties should consider this Order to be a two-pronged inquiry into the facial and factual sufficiency of Defendant’s demonstration of jurisdiction.” (2)*

## FACTUAL BACKGROUND

The action includes claims apparently arising under the Magnuson-Moss Warranty Act. Defendants removed the action from state court, but their Notice of Removal did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded the Act’s \$50,000 jurisdictional threshold. The court also could not determine from the record whether Defendants removed the action within thirty days after receiving the initial pleading or summons.

## PROCEDURAL HISTORY

Plaintiff filed suit in state court, and Defendants removed the action to the Central District of California. On sua sponte review of the Notice of Removal, the court found that it could not presently determine whether the amount-in-controversy requirement for Magnuson-Moss Warranty Act jurisdiction was satisfied or whether removal was timely. The court ordered the parties, particularly the removing defendants, to show cause within fourteen days why the action should not be remanded.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties must submit written responses within fourteen days from the date of the order explaining why the action should not be remanded. Responses are limited to ten pages. The parties are encouraged to submit evidence or judicially noticeable facts. Defendants' failure to respond timely and adequately will result in remand without further notice.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co., 511 U.S. 375, 377 (1994)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006)
- Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999)
- Khachatryan v. BMW of N. Am., LLC, Case No. 2:21-cv-01290-PA (PDx), 2021 WL 927266, at \*2 (C.D. Cal. Mar. 10, 2021)
- Babasa v. LensCrafters, Inc., 498 F.3d 972, 974 (9th Cir. 2007)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 88-89 (2014)
- Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014)

OPINION

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 CENTRAL DISTRICT OF  
CALIFORNIA 10 11 ROBERT IBARRA JR., Case No. 2:25-cv-07009-FLA (AJRx) 12 Plaintiff,  
ORDER TO SHOW CAUSE WHY 13 v. ACTION SHOULD NOT BE REMANDED FOR LACK  
OF 14 SUBJECT MATTER JURISDICTION GENERAL MOTORS LLC, et al., 15 Defendants.  
16 17 18 19 20 21 22 23 24 25 26 27 28 1 Federal courts are courts of “limited jurisdiction,”  
possessing only “power 2 authorized by the Constitution and statute[.]” Kokkonen v. Guardian  
Life Ins.  
Co. of 3 Am., 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to 4  
lack jurisdiction unless the contrary appears affirmatively from the record. See 5 DaimlerChrysler  
Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal 6 courts have an obligation to  
examine jurisdiction sua sponte before proceeding to the 7 merits of a case.

See *Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999). 8 A suit filed in a state court may be removed to federal court if the federal court 9 would have had original jurisdiction over the suit. 28 U.S.C. § 1441(a). Federal 10 courts have original jurisdiction where an action presents a federal question under 28 11 U.S.C. § 1331, or where diversity of citizenship exists under 28 U.S.C. § 1332.

12 Accordingly, a defendant may remove an action from state court to federal court 13 pursuant to the federal removal statute, 28 U.S.C. § 1441, on the basis of a federal 14 question or diversity jurisdiction. Of relevance here, claims filed under the 15 Magnuson-Moss Warranty Act do not trigger federal question jurisdiction unless the 16 amount in controversy is equal to or greater than “the sum or value of \$50,000 17 (exclusive of interests and costs) computed on the basis of all claims to be determined 18 in [the] suit.” 15 U.S.C. § 2310(d)(3)(B); *Khachatryan v. BMW of N. Am., LLC*, Case 19 No. 2:21-cv-01290-PA (PDx), 2021 WL 927266, at \*2 (C.D.

Cal. Mar. 10, 2021). 20 Pursuant to 28 U.S.C. § 1446(b)(1) (“Section 1446”), a notice of removal must 21 be filed within thirty (30) days after a defendant receives the initial pleading or 22 summons. “If a notice of removal is filed after this thirty-day window, it is untimely 23 and remand to state court is therefore appropriate.” *Babasa v. LensCrafters, Inc.*, 498 24 F.3d 972, 974 (9th Cir.

2007). 25 Courts strictly construe the removal statute against removal jurisdiction, and 26 “[f]ederal jurisdiction must be rejected if there is any doubt as to the right of removal 27 in the first instance.” *Gaus v. Miles, Inc.*, 980 F.2d 564, 566 (9th Cir. 1992).

The 28 party seeking removal bears the burden of establishing federal jurisdiction. *Id.* Thus, 1 a notice removing an action from state court to federal court must include “a plausible 2 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart 3 Cherokee Basin Operating Co. v. Owens*, 574 U.S. 81, 89 (2014). Where “the 4 plaintiff contests, or the court questions, the defendant’s allegation” concerning the 5 amount in controversy, “both sides [shall] submit proof,” and the court may then 6 decide whether the defendant has proven the amount in controversy “by a 7 preponderance of the evidence.” *Id.* at 88–89.

8 The court has reviewed the Notice of Removal and is presently unable to 9 conclude it has subject matter jurisdiction. In particular, and without limitation, the 10 court finds that the allegations in Defendant’s Notice of Removal do not demonstrate 11 by a preponderance of the evidence that the amount in controversy exceeds \$50,000. 12 Additionally, the court is presently unable to conclude this action was removed within 13 thirty (30) days of receipt of the initial pleading or summons, as required under 14 Section 1446.

15 The parties are ORDERED TO SHOW CAUSE, in writing only, within 16 fourteen (14) days from the date of this Order, why this action should not be remanded 17 for lack of subject matter

jurisdiction because the amount in controversy does not 18 exceed the jurisdictional threshold and removal was untimely.

The parties are 19 encouraged to submit evidence and/or judicially noticeable facts in response to the 20 court's Order. Responses shall be limited to ten (10) pages in length. The parties 21 should consider this Order to be a two-pronged inquiry into the facial and factual 22 sufficiency of Defendant's demonstration of jurisdiction. See *Leite v. Crane Co.*, 749 23 F.3d 1117, 1122 (9th Cir.

2014). 24 / / / 25 / / / 26 / / / 27 28 I As Defendant is the party asserting federal jurisdiction, Defendant's failure to 2 | respond timely and adequately to this Order shall result in remand of the action 3 | without further notice. 4 5 IT IS SO ORDERED. 6 7 || Dated: August 20, 2025 ° FERNANDO L. AENLLB-ROCHA 10 United States District Judge 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28