

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Michael Morse v. The Hertz Corporation, et al.

Morse v. Hertz · No. CV 25-7609-JFW(MARx) · Decided October 22, 2025

SUMMARY

The United States District Court for the Central District of California ordered Plaintiff Michael Morse to show cause why the action should not be dismissed for lack of subject matter jurisdiction. The court found that Plaintiff had not adequately alleged the citizenship of Defendant Mirra Simpson or the members of the limited liability company defendants, preventing the court from determining whether complete diversity existed under 28 U.S.C. § 1332(a). Plaintiff was ordered to respond by October 24, 2025, and the deadline for Defendants to respond to the Complaint was continued to October 31, 2025.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	John F. Walter
JURISDICTION	United States District Court for the Central District of California
DECIDED	October 22, 2025
DOCKET	CV 25-7609-JFW(MARx)
DISPOSITION	other
PROCEDURAL POSTURE	The district court issued an order to show cause why the action should not be dismissed for lack of subject matter jurisdiction based on inadequate allegations of diversity jurisdiction.
STANDARD OF REVIEW	The plaintiff bears the burden of affirmatively and distinctly alleging facts establishing the existence of federal subject matter jurisdiction. For diversity jurisdiction, the pleadings must establish complete diversity of citizenship and an amount in controversy exceeding \$75,000.
PRECEDENTIAL VALUE	Unpublished federal district court order; limited persuasive value and not binding precedent beyond the case.

TOPICS

- subject matter jurisdiction
- pleadings
- civil procedure

PRACTICE AREAS

Federal civil procedure

Federal jurisdiction

Diversity jurisdiction

QUESTIONS PRESENTED

1. Whether the complaint adequately alleged complete diversity of citizenship under 28 U.S.C. § 1332(a).
2. Whether the complaint adequately alleged the citizenship of the individual defendant and the members of the limited liability company defendants so that the court could determine whether subject matter jurisdiction exists.

HOLDINGS

1. A plaintiff invoking federal diversity jurisdiction must affirmatively and distinctly allege the facts essential to federal jurisdiction, including facts establishing that all plaintiffs are citizens of different states than all defendants and that the amount in controversy exceeds \$75,000.
2. To plead the citizenship of a limited liability company adequately for diversity purposes, the plaintiff must identify each member and allege the citizenship of each member; identifying the LLC's state of organization or principal executive offices is insufficient.
3. The complaint did not establish that complete diversity exists because it omitted Simpson's citizenship and failed to identify the members and citizenship of Hertz Vehicles and Thrifty; the court therefore could not determine whether it possessed subject matter jurisdiction.

KEY QUOTATIONS

"A plaintiff suing in a federal court must show in his pleading, affirmatively and distinctly, the existence of whatever is essential to federal jurisdiction"

FACTUAL BACKGROUND

Morse sued The Hertz Corporation, Hertz Vehicles LLC, Dollar Rent A Car Inc., Thrifty Rent A Car System Inc., and Mirra Simpson, invoking diversity jurisdiction under 28 U.S.C. § 1332(a). Although the complaint alleged that the amount in controversy exceeded \$75,000, it did not allege Simpson's citizenship. It also characterized Hertz Vehicles as a corporation despite its apparent status as a limited liability company and failed to identify the members of Hertz Vehicles and Thrifty or their citizenship.

PROCEDURAL HISTORY

Plaintiff Michael Morse filed a complaint on August 14, 2025, alleging diversity jurisdiction under 28 U.S.C. § 1332(a). The court determined that the complaint did not adequately allege the citizenship of an individual defendant or the members of two entities identified as limited liability companies. The court ordered Plaintiff to respond in writing by October 24, 2025, and continued Defendants' deadline to respond to the complaint until October 31, 2025.

DISPOSITION

CASES CITED

- *Tosco Corp. v. Communities for a Better Environment*, 236 F.3d 495, 499 (9th Cir. 2001)
- *Smith v. McCullough*, 270 U.S. 456, 459 (1926)
- *Johnson v. Columbia Properties Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006)
- *Grupo Dataflux v. Atlas Global Group, L.P.*, 541 U.S. 567, 569 (2004)
- *Neerman v. Cates*, 2022 WL 18278398 (C.D. Cal. July 22, 2022)
- *Matrix International Textile, Inc. v. DMD International, Ltd.*, 2012 WL 12903645, at *1 (C.D. Cal. July 31, 2012)
- *PFFJ, LLC v. Cypress Benefit Administrators*, 2010 WL 3800920 (D. Ariz. Sept. 22, 2010)

OPINION

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA CIVIL MINUTES -- GENERAL Case No. CV 25-7609-JFW(MARx) Date: October 22, 2025 Title: Michael Morse -v- The Hertz Corporation, et al. PRESENT: HONORABLE JOHN F. WALTER, UNITED STATES DISTRICT JUDGE Shannon Reilly None Present Courtroom Deputy Court Reporter ATTORNEYS PRESENT FOR PLAINTIFFS: ATTORNEYS PRESENT FOR DEFENDANTS: None None PROCEEDINGS (IN CHAMBERS): ORDER TO SHOW CAUSE WHY THIS CASE SHOULD NOT BE DISMISSED FOR LACK OF SUBJECT MATTER JURISDICTION On August 14, 2025, Plaintiff Michael Morse (“Plaintiff”) filed a Complaint in this Court against Defendants The Hertz Corporation (“Hertz Corporation”), Hertz Vehicles LLC (“Hertz Vehicles”), Dollar Rent A Car Inc. (“Dollar”), Thrifty Rent A Car System Inc. (“Thrifty”), and Mirra Simpson (“Simpson”) (collectively, “Defendants”), alleging that the Court has subject matter jurisdiction over the action pursuant to 28 U.S.C. § 1332(a).

However, Plaintiff has not adequately alleged the facts essential for the subject matter jurisdiction of this Court. *Tosco Corp. v. Communities for a Better Environment*, 236 F.3d 495, 499 (9th Cir. 2001) (quoting *Smith v. McCullough*, 270 U.S. 456, 459 (1926)) (“‘A plaintiff suing in a federal court must show in his pleading, affirmatively and distinctly, the existence of whatever is essential to federal jurisdiction’”).

Diversity jurisdiction founded under 28 U.S.C. § 1332(a) requires that (1) all plaintiffs be of different citizenship than all defendants, and (2) the amount in controversy exceed \$75,000. See 28 U.S.C. § 1332(a).¹ A limited liability company is a citizen of every state of which its members are citizens. See, e.g., *Johnson v. Columbia Properties Anchorage, LP*, 437 F.3d 894, 899 (9th Cir.

2006) (“[L]ike a partnership, an LLC is a citizen of every state of which its owners/members are citizens”); see also *Grupo Dataflux v. Atlas Global Grp., L.P.*, 541 U.S. 567, 569 (2004) (“[A]

partnership... is a citizen of each State or foreign country of which any of its partners is a citizen”).

In this case, Plaintiff has failed to allege the citizenship of Simpson. In addition, Plaintiff alleges that Hertz Vehicles “is a Delaware corporation with principal executive offices located [in]... Estero, Florida. Complaint, ¶ 11.

However, Hertz Vehicles appears to be a limited liability 1 Plaintiff has alleged that the amount in controversy exceeds \$75,000. company, not a corporation, and Plaintiff has failed to allege any of Hertz Vehicles’ members. With respect to Thrifty, Plaintiff alleges that it is “an Oklahoma limited liability company with principal executive offices located [in]...

Estero, Florida. However, Plaintiff has failed to allege any of Thrifty’s members. “In this Court’s view, [Plaintiff] cannot sufficiently demonstrate the citizenship of the members of a limited liability company (or partnership) without alleging who those members are, so that the Court can determine whether the members themselves are limited liability companies (or partnerships).” See *Neerman v. Cates*, 2022 WL 18278398 (C.D.

Cal. July 22, 2022) (quoting *Matrix International Textile, Inc. v. DMD International, Ltd.*, 2012 WL 12903645, at *1 (C.D. Cal. July 31, 2012)); see also *PFFJ, LLC v. Cypress Benefit Admm’s*, 2010 WL 3800920 (D. Ariz. Sept. 22, 2010) (“As to each party that is a limited liability company, the amended complaint must affirmatively identify each member of that party and state the citizenship of each member”).

As a result, Plaintiff has failed to demonstrate that complete diversity exists and, thus, the Court cannot determine if it has subject matter jurisdiction over this action. Accordingly, Plaintiff is hereby ordered to show cause, in writing, on or before October 24, 2025, why this action should not be dismissed for lack of subject matter jurisdiction. No oral argument on this matter will be heard unless otherwise ordered by the Court.

See Fed. R. Civ. P. 78; Local Rule 7-15. The Order will stand submitted upon the filing of the response to the Order to Show Cause. Failure to respond to the Order to Show Cause will result in the dismissal of this action for lack of subject matter jurisdiction.

The deadline for Defendants to respond to Plaintiff’s Complaint is continued until October 31, 2025. IT IS SO ORDERED.