

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Prince Paul Raymond Williams v. Westlake Financial Services, Inc.,
et al.

Case No. 1:25-cv-00957-JLT-SAB · No. 1:25-cv-00957-JLT-SAB · Decided October 15, 2025

SUMMARY

The United States District Court for the Eastern District of California screens Plaintiff Prince Paul Raymond Williams’s second amended complaint concerning vehicle repossession, credit reporting, debt collection, disclosure requirements, and alleged constitutional violations. The court concludes that the complaint fails to state cognizable federal claims under the Fair Credit Reporting Act, Fair Debt Collection Practices Act, Truth in Lending Act, and 42 U.S.C. § 1983. The court grants final leave to file a third amended complaint within thirty days, subject to a twenty-five-page limit.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Stanley A. Boone
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	October 15, 2025
DOCKET	1:25-cv-00957-JLT-SAB
DISPOSITION	other
PROCEDURAL POSTURE	Sua sponte screening of a second amended complaint filed by a pro se plaintiff proceeding in forma pauperis under 28 U.S.C. § 1915(e)(2).
STANDARD OF REVIEW	On screening under 28 U.S.C. § 1915(e)(2), the court applies the pleading standard of Federal Rule of Civil Procedure 8(a), accepting well-pleaded factual allegations as true but disregarding conclusory allegations and determining whether the complaint states a facially plausible claim. The court also must raise subject-matter jurisdiction sua sponte when jurisdiction may be lacking.
PRECEDENTIAL VALUE	unpublished district court screening order; nonprecedential
PARTIES	Prince Paul Raymond Williams v. Westlake Financial Services, Inc., Paul Kerwin, Paramount Recovery Services, LLC, et al.

TOPICS

credit reporting

fair debt collection

truth in lending

section 1983

civil procedure

PRACTICE AREAS

consumer finance

credit reporting

debt collection

civil rights

civil procedure

QUESTIONS PRESENTED

1. Whether Plaintiff stated a claim under the Fair Credit Reporting Act against Westlake as a furnisher of credit information.
2. Whether Plaintiff stated a claim under the Fair Debt Collection Practices Act based on alleged account mischaracterization, refusal of tender, fees, and repossession-related conduct.
3. Whether Plaintiff stated a claim under the Truth in Lending Act and Regulation Z based on allegedly inadequate disclosures in the retail installment sale contract.
4. Whether Plaintiff stated a claim under 42 U.S.C. § 1983 against private defendants absent adequately pleaded state action.
5. Whether the court could exercise supplemental jurisdiction over Plaintiff's state-law claims after finding no adequately pleaded federal claim.
6. Whether Plaintiff should receive leave to amend.

HOLDINGS

1. A consumer asserting an FCRA claim against a furnisher must make a prima facie showing that the furnisher's reported information was inaccurate before the court considers whether the furnisher's investigation was reasonable. Plaintiff failed to do so because he did not plead the contract terms, the basis for the alleged arrears, or facts permitting the court to determine that Westlake's reporting was inaccurate.
2. Plaintiff failed to state an FDCPA claim because he did not plead sufficient facts showing that the defendants mischaracterized his account, unlawfully charged amounts, or otherwise violated the statute. The allegations concerning Paramount described repossession and redemption but did not connect Paramount to the account conduct or alleged leverage.
3. Plaintiff failed to state a TILA or Regulation Z claim because his generalized allegations concerning disclosures, finance charges, APR, payment terms, and security-interest terms did not identify the specific contract terms or disclosures at issue.
4. A claim under 42 U.S.C. § 1983 requires a deprivation of a federal right by a person acting under color of state law. Plaintiff failed to state a § 1983 claim because the allegations that Paramount sent an email instructing him to bring a police receipt did not plausibly establish state action.
5. After finding that Plaintiff failed to state a federal claim, the court declined to analyze the state-law claims at the screening stage because there was no adequately pleaded basis for federal-question jurisdiction.

6. Because the deficiencies might be cured by amendment, the court granted Plaintiff final leave to file a third amended complaint within thirty days, subject to a twenty-five-page limit and the requirement that the amended complaint be complete in itself.

KEY QUOTATIONS

“A complaint need only contain “a short and plain statement of the claim showing that the pleader is entitled to relief . . .” (at 2)

“Just as in a lawsuit against a credit reporting agency, to prevail on a FCRA claim against a furnisher, a consumer must make a prima facie showing that the furnisher’s report was inaccurate.” (at 6)

“For the reasons discussed herein, Plaintiff has failed to state any cognizable federal claims for relief and will be granted leave—for a final time—to file a third amended complaint to cure the deficiencies identified in this order, if he believes he can do so in good faith.” (at 10)

FACTUAL BACKGROUND

Plaintiff entered into a retail installment sale contract to purchase a 2015 BMW and later allegedly fell into arrears. Westlake directed Paramount to repossess the vehicle; Plaintiff alleges that he attempted to tender payment, that the vehicle was repossessed and damaged, and that he later redeemed it through an electronic payment. Plaintiff further alleges that Westlake furnished inaccurate account information to Experian, Equifax, and TransUnion and failed to reasonably investigate disputes, causing credit denials and other adverse consequences.

PROCEDURAL HISTORY

Plaintiff commenced the action and was granted leave to proceed in forma pauperis. He filed a first amended complaint as of right and then obtained leave to file a second amended complaint. The court screened the second amended complaint, found that it failed to state any cognizable federal claim, and granted final leave to file a third amended complaint within thirty days.

DISPOSITION

other

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Moss v. U.S. Secret Service, 572 F.3d 962, 969 (9th Cir. 2009)
- Augustine v. United States, 704 F.2d 1074, 1077 (9th Cir. 1983)
- Cato v. United States, 70 F.3d 1103, 1106 (9th Cir. 1995)
- TransUnion LLC v. Ramirez, 594 U.S. 413, 419 (2021)
- Gross v. CitiMortgage, Inc., 33 F.4th 1246, 1251 (9th Cir. 2022)

- Gorman v. Wolpoff & Abramson, LLP, 584 F.3d 1147, 1157 (9th Cir. 2009)
- Syed v. M-I, LLC, 853 F.3d 492, 503 (9th Cir. 2017)
- Felts v. Wells Fargo Bank, N.A., 893 F.3d 1305, 1313 (11th Cir. 2018)
- Chiang v. Verizon New England Inc., 595 F.3d 26, 37 (1st Cir. 2010)
- Donohue v. Quick Collect, Inc., 592 F.3d 1027, 1030 (9th Cir. 2010)
- Virachack v. University Ford, 410 F.3d 579, 581 (9th Cir. 2005)
- West v. Atkins, 487 U.S. 42, 48 (1988)
- Civil Rights Cases, 109 U.S. 3, 11 (1883)
- Brentwood Academy v. Tennessee Secondary School Athletic Ass'n, 531 U.S. 288 (2001)
- Kokkonen v. Guardian Life Insurance Co. of America, 511 U.S. 375, 377 (1994)
- Lopez v. Smith, 203 F.3d 1122, 1127 (9th Cir. 2000)
- Ramirez v. County of San Bernardino, 806 F.3d 1002, 1008 (9th Cir. 2015)

OPINION

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 EASTERN DISTRICT OF
CALIFORNIA 10 11 PRINCE PAUL RAYMOND WILLIAMS, Case No. 1:25-cv-00957-JLT-
SAB 12 Plaintiff, ORDER SCREENING SECOND AMENDED COMPLAINT AND
GRANTING FINAL 13 v. LEAVE TO FILE THIRD AMENDED COMPLAINT 14 WESTLAKE
FINANCIAL SERVICES, INC., et al., (ECF No. 13) 15 Defendants. THIRTY-DAY DEADLINE
16 17 On September 22, 2025, Plaintiff Prince Paul Raymond Williams, who is proceeding pro se
18 and in forma pauperis, commenced this action.

(ECF No. 1.) On August 20, 2025, the Court 19 granted Plaintiff's long form application to
proceed in forma pauperis. (ECF Nos. 2, 7, 8.) During 20 that time, Plaintiff filed a first amended
complaint as a matter of course. (ECF No. 4.)

Before the 21 Court could screen the first amended complaint, however, Plaintiff moved for leave
to amend to 22 file a second amended complaint, which the Court granted. (ECF Nos. 11, 12.)
Though with 23 regard to the second amended complaint, the Court now undertakes its initial
screening, pursuant 24 to 28 U.S.C. § 1915. 25 I. 26 SCREENING REQUIREMENT 27 The in
forma pauperis statute provides that a court shall dismiss a case if, inter alia, the complaint is
"frivolous or malicious," or "fails to state a claim on which relief may be granted." 1 28 U.S.C. §
1915(e)(2).

In determining whether a complaint fails to state a claim, a court uses the 2 same pleading
standard used under Federal Rule of Civil Procedure 8(a). A complaint need only 3 contain "a
short and plain statement of the claim showing that the pleader is entitled to relief..." 4 Fed. R.
Civ. P. 8(a)(2). Detailed factual allegations are not required, but "[t]hreadbare recitals of 5 the
elements of a cause of action, supported by mere conclusory statements, do not suffice." 6

Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009), citing Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 755 (2007).

8 To survive screening, a plaintiff's claims must be facially plausible, which requires 9 sufficient factual detail to allow the Court to reasonably infer that each named defendant is liable 10 for the misconduct alleged. Iqbal, 556 U.S. at 678-79; Moss v. U.S. Secret Serv., 572 F.3d 962, 11969 (9th Cir. 2009).

The "sheer possibility that a defendant has acted unlawfully" is not sufficient, 12 and "facts that are 'merely consistent with' a defendant's liability" falls short of satisfying the 13 plausibility standard. Iqbal, 556 U.S. at 678; Moss, 572 F.3d at 969. 14 Moreover, federal courts are under a duty to raise and decide issues of subject matter 15 jurisdiction sua sponte at any time it appears subject matter jurisdiction may be lacking.

Fed. R. 16 Civ. P. 12; Augustine v. United States, 704 F.2d 1074, 1077 (9th Cir. 1983). If the Court 17 determines that subject matter jurisdiction is lacking, the Court must dismiss the case. Id.; Fed. R. 18 Civ. P. 12(h)(3). 19 Leave to amend may be granted to the extent that the deficiencies of the complaint can be 20 cured by amendment. Cato v. U.S., 70 F.3d 1103, 1106 (9th Cir.

1995). 21 II. 22 COMPLAINT ALLEGATIONS 23 The Court accepts Plaintiff's allegations in his complaint as true for the purpose of this sua 24 sponte screening requirement under 28 U.S.C. § 1915. However, the Court observes that the 25 second amended complaint is 130 pages long and at various times is convoluted and confusing. 26 Moreover, throughout Plaintiff makes various conclusory statements of fact and law.

27 Notwithstanding, the Court will endeavor to recite the relevant allegations. 1 In essence, this case involves the alleged repossession of a vehicle in Plaintiff's lawful 2 possession. Plaintiff resides in Fresno County and entered into a credit sale for a motor vehicle 3 though a retail installment sale contract ("RISC") that was originated and/or serviced by Defendant 4 Westlake Financial Services, Inc. ("Westlake").

(ECF No. 13, p. 15.) Defendant Westlake is a 5 California corporation that originates and services consumer auto finance contracts, furnishes 6 credit information to consumer reporting agencies ("CRAs"), directs repossession activity, and 7 communicates payoff and redemption terms to consumers. (Id. at p. 15.) Defendant Paul Kerwin 8 is the Chief Financial Office of Defendant Westlake and oversaw Westlake's financial operations, 9 including participating or ratifying policies related to repossession/redemption, transmittal of 10 information to CRAs, and coordination with third-parties and law enforcement for repossession.

11 (Id. at p. 17.) Defendant Paramount Recovery Services, LLC ("Paramount") is a California limited 12 liability company that enforces security interest in motor vehicles through repossession,

storage, 13 and release. (Id. at p. 16.) 14 Plaintiff alleges that in March 2024, Westlake directed Paramount to repossess Plaintiff's 15 vehicle in Fresno County. (Id. at p. 4.)

Plaintiff states that Paramount coordinated with law 16 enforcement in connection with repossession of Plaintiff's vehicle. (Id. at p. 16.) Plaintiff alleges 17 that he made a "lawful and immediate payment effort to cure and redeem;" however, Defendants 18 failed to provide a workable "same-day payment channel, refused lawful tender, executed a 19 nonjudicial seizure without notice, and damaged the collateral while in their custody." (Id. at p. 5.)

20 Plaintiff then alleges that Westlake "furnished inaccurate tradeline data to Experian, Equifax, and 21 TransUnion... [and] verified the tradeline without a reasonable investigation, failed to correct 22 inaccuracies, and failed to mark the account as disputed." (Id.) Plaintiff's credit score dropped 23 and he suffered "credit denials and adverse actions." (Id.)

24 More specifically, Plaintiff alleges that on October 20, 2023, Plaintiff entered into a RISC 25 to purchase a 2015 BMW 5 Series, advertised with a cash selling price of \$10,999.00. (Id. at p. 26 20.) Plaintiff paid a \$5,700 cash down payment at closing, "with additional 'Products & Fees' of 27 \$328.25." (Id.)

The RISC disclosed an amount financed of \$8,201.44, a finance charge of 1 Plaintiff relied on Defendant Westlake's tabular disclosures as complete and accurate. (Id.) 2 Plaintiff alleges that the RISC and closing package did not clearly itemize or classify certain 3 charges. (Id. at p. 21.) 4 In February 2024, Plaintiff had cash in the amount "sufficient to cure asserted arrears and 5 requested same-day written instructions from Westlake identifying a physical location or accepted 6 method to complete cash tender and obtain contemporaneous application and confirmation." (Id.

7 at p. 21.) On February 27, 2024, Westlake stated that cash was not accepted; during a 8 "contemporaneous call," Westlake advised Plaintiff that there was no physical location to accept 9 same-day cash payments. (Id. at p. 22.) 10 On April 5, 2024, Westlake issued a payoff letter to Plaintiff indicating that if Plaintiff paid 11 \$8,321.56 that day, and with a 15-day payoff quote of \$8,417.22 at a per diem of \$6.12, it would 12 satisfy Plaintiff's obligation.

(Id. at pp. 23-24.) The payoff letter did not include an itemization 13 for administrative or storage fees. (Id.) On April 16, 2024, Plaintiff mailed a notice of tender to 14 Westlake, reiterating his offer to pay immediately with U.S. coin and currency; Westlake did not 15 acknowledge this notice. (Id. at pp. 24-25.)

On March 27, 2024, Plaintiff alleges that Westlake 16 direct Defendant Paramount to repossess Plaintiff's vehicle. (Id. at p. 25.) According to Plaintiff, 17 there was no prior written notice of default/right to cure or a notice of intent to sell. (Id.)

The next 18 day, Plaintiff received an email from Paramount entitled Vehicle Redemption Appointment 19 Confirmation, advising Plaintiff that he could appear on March 29, 2024, for redemption. (Id.) 20 The email instructed to bring a police receipt¹ and picture identification. (Id.) 21 On March 28, 2024, Plaintiff paid Westlake \$975.36 through an authorized electronic 22 payment (incurring a \$5.00 processing fee).

(Id. at p. 23.) This allowed Plaintiff to retrieve his 23 vehicle from Paramount, and Plaintiff observed that there was physical damage to the exhaust- 24 1 Based on this fact, Plaintiff makes conclusory allegations that Paramount must have contacted the Fresno Police 25 Department (“FPD”) prior to or during the seizure request and that this “presence or engagement conferred apparent state authority and deterred resistance.” (ECF No. 13, p. 27.)

While the Court accepts as true the allegation that an email directed Plaintiff to bring a police receipt, the Court rejects Plaintiff’s conclusory allegations that Paramount 26 contacted FPD as not meeting the plausibility pleading standard. Indeed, Plaintiff has included the email from Paramount, which appears to be a form email. (Id. at p. 25.) Relatedly, the Court does not necessarily accept Plaintiff 27 legal conclusion(s) that by the FPD’s mere presence, color of state authority was necessarily implicated.

(See id. at pp. 27-28.) That legal determination is for the Court to make, in light of all the non-conclusory allegations in the 1 mount assembly. (Id. at p. 26.) Plaintiff documented the damage and notified Westlake, who 2 acknowledged the notice and recommended Plaintiff file a claim with the repossession company. 3 (Id.) Following this payment, Plaintiff’s account with Westlake reflected a temporary credit, 4 followed by administrative and storage fees without itemization.

(Id. at p. 28.) 5 Thereafter, Plaintiff alleges that Westlake furnished tradeline data to Experian, Equifax, 6 and TransUnion reflecting late-payment statues and inflated balances that failed to account for 7 posted credits and redemption activity. (Id. at p. 28.)

On January 10 and February 5, 2025, 8 Plaintiff states that he submitted “written disputes to one or more CRAs identifying specific 9 inaccuracies.” (Id. at p. 29.) According to Plaintiff, the CRAs communicated with Westlake who 10 verified the “tradeline without conducting a reasonable investigation, failed to correct inaccuracies, 11 and did not flag the tradeline as ‘disputed by customer’ in its subsequent monthly Metro 2 12 furnishing.” (Id.)

Plaintiff’s credit score fell 125 points. (Id.) In March and April 2025, Plaintiff 13 would receive credit denials and an adverse housing decision referencing the Westlake tradeline. 14 (Id. at p. 30.) 15 Much of the remaining 100 pages of the second amended complaint contain repeated 16 factual allegations, conclusory allegations of fact or law, legal definitions, and discussions of 17 statutes.

Though the Court has reviewed these pages,² the Court will not discuss them in this 18 factual section, discussing any other relevant allegations as necessary below. 19 III. 20 DISCUSSION 21

Essentially, Plaintiff entered into a contract to purchase a vehicle. Following going into 22 arrears (the circumstances of which Plaintiff has not pleaded), Plaintiff tried to pay off his debt 23 before a repossession, but Defendant Westlake would not accept Plaintiff's same-day cash offer.

24 The Court infers that thereafter Plaintiff did not pay. Westlake then contacted Defendant 25 Paramount, who repossessed Plaintiff's vehicle. Paramount offered Plaintiff a vehicle redemption 26 option, and Plaintiff was able to make an electronic payment and received his vehicle back (with 27 2 In particular to this screening order, the Court has reviewed the section where Plaintiff preemptively discusses 1 alleged damage).

Westlake then transmitted information noting Plaintiff had made late payments 2 and included an alleged inflated balance. Plaintiff disputed this with the CRAs. In turn, the CRAs 3 contacted Westlake who verified the information. This led to a drop in Plaintiff's credit score and 4 loss of credit opportunities. 5 Based on these essential facts, Plaintiff brings four federal causes of action, which the 6 Court addresses.

7 A. Fair Credit Reproting Act 8 Congress enacted FCRA to ensure accurate reporting about the "credit worthiness, credit 9 standing, credit capacity, character, and general reputation of consumers." 15 U.S.C. § 1681(a)(2). 10 Under FCRA, a consumer may request a copy of her credit report from TransUnion, Equifax, and 11 Experian, the country's "Big Three" credit reporting agencies.

TransUnion LLC v. Ramirez, 594 12 U.S. 413, 419 (2021); 15 U.S.C. § 1681g(a). If the consumer finds something amiss on the credit 13 report, one option is to file a dispute with the credit reporting agency, which in turn notifies the 14 entities that "furnished" information about the consumer's debt. 15 U.S.C. § 1681i(a). 15 FCRA regulates how furnishers must respond to a notice of dispute from a credit reporting 16 agency.

Gross v. CitiMortgage, Inc., 33 F.4th 1246, 1251 (9th Cir. 2022). Among other things, 17 the furnisher must correct or delete inaccurate information after conducting an "investigation with 18 respect to the disputed information." 15 U.S.C. § 1681s-2(b). That "investigation" must be at 19 least "reasonable" and "non-cursory." Gorman v. Wolpoff & Abramson, LLP, 584 F.3d 1147, 20 1157 (9th Cir.

2009). A consumer may sue a furnisher and recover damages if the furnisher 21 willfully or negligently violated FCRA. 15 U.S.C. §§ 1681n, 1681o; see Syed v. M-I, LLC, 853 22 F.3d 492, 503 (9th Cir. 2017). 23 In this respect, "a furnisher's duties resemble those of a credit reporting agency, which can 24 also be liable for failing to 'follow reasonable procedures to assure maximum possible accuracy' 25 of information on a credit report." Gross, 33 F.4th at 1251, quoting 15 U.S.C. § 1681e(b); see also 26 15 U.S.C. §§ 1681n, 1681o.

In such lawsuits, the Ninth Circuit has stated that before a court ²⁷ considers the reasonableness of the agency's procedures, the consumer must make a "prima facie ¹ Experian Info. Sols., Inc., 891 F.3d 749, 756 (9th Cir. 2018).

In Gross, the Ninth Circuit discussed ² that "[t]his order of proof makes sense: if there is no inaccuracy, then the reasonableness of the ³ investigation is not in play. On the flip side, if there is an inaccuracy, to succeed, the plaintiff must ⁴ establish that the investigation was unreasonable." Id. The Court then held that FCRA lawsuits ⁵ are cognizable against furnishers.

Id., citing Felts v. Wells Fargo Bank, N.A., 893 F.3d 1305, 1313 ⁶ (11th Cir. 2018); Chiang v. Verizon New Eng. Inc., 595 F.3d 26, 37 (1st Cir. 2010). "Just as in a ⁷ lawsuit against a credit reporting agency, to prevail on a FCRA claim against a furnisher, a ⁸ consumer must make a prima facie showing that the furnisher's report was inaccurate." Id. ⁹ Here, Plaintiff alleges that Westlake supplied information about Plaintiff's debts to the ¹⁰ national credit reporting agencies, which would make it a "furnisher" under FCRA and its ¹¹ implementing regulations.

¹⁵ U.S.C. § 1681i(a); ¹² C.F.R. § 1022.41(c) (defining "furnisher"). ¹² However, the Court does not find that Plaintiff has stated a prima facie showing of any inaccuracy ¹³ in Westlake's reporting. To begin, Plaintiff has included no allegations regarding the contract ¹⁴ details between Plaintiff and Westlake (or included the contract for incorporation).

Thus, the ¹⁵ Court is unable to determine the most basic of terms of the contract and what a breach would ¹⁶ trigger. Moreover, Plaintiff has not included any allegations of how he came to be in arrears and ¹⁷ whether Westlake gave him notice of such. Without this information, the Court is unable to ¹⁸ determine whether Westlake's actions were inaccurate.

As stated, the complaint seemingly relies ¹⁹ on circular logic that simply because Westlake reported late-payments and an increased debt that ²⁰ such reporting must have been inaccurate—without giving the Court any means or measure to ²¹ assess this.

The Court is cognizant that Plaintiff need only allege a prima facie showing, but even ²² taking all allegations in Plaintiff's favor, the Court finds that Plaintiff has failed to state an FCRA ²³ claim. The Court will give Plaintiff leave to amend. ²⁴ B. Fair Debt Collection Practices Act ²⁵ Congress enacted the FDCPA to "eliminate abusive debt collection practices by debt ²⁶ collectors" in order to "protect consumers." ¹⁵ U.S.C. § 1692(e). "The FDCPA pursues [this ²⁷ purpose] by imposing affirmative requirements on debt collectors and prohibiting a range of debt- ¹ 1692j.

The FDCPA prohibits debt collectors from collecting "any amount (including any interest, ² fee, charge, or expense incidental to the principal obligation) unless such amount is expressly ³ authorized by the agreement creating the debt or permitted by law." ¹⁵ U.S.C. § 1692f(1).. Debt ⁴ collectors are strictly liable for FDCPA violations, Donohue v. Quick Collect, Inc., 592 F.3d 1027, ⁵ 1030 (9th Cir.

2010), and a debt collector who violates the FDCPA is liable for actual damages, 6 attorney's fees and costs, and additional damages not to exceed \$1,000 per violation. 15 U.S.C. § 7 1692k. To prevail on a claim under the FDCPA, a plaintiff must establish that a debt collector, as 8 defined in § 1692a(6), has failed to comply with a provision of the FDCPA. 9 In general, the FDCPA prohibits harassment and abuse, false and misleading information, 10 and other unfair practices.

Here, Plaintiff offers that Westlake and Paramount mischaracterized his 11 account status, refused lawful tender, inflated his account balance, and leveraged repossession 12 threats. Even assuming Westlake and Paramount are debt collectors, the Court finds that Plaintiff 13 has failed to state a claim. Beginning with Paramount, the only allegations relating to Paramount 14 are regarding its repossession of Plaintiff's vehicle followed by a redemption process.

There are 15 no allegations that Paramount was involved with Plaintiff's account with Westlake or involved 16 with 'leveraging' the repossession. 17 Regarding Westlake, the Court finds that Plaintiff's allegations fail to state a claim for 18 substantially similar reasons as Plaintiff's FCRA claim. There are not sufficient allegations for the 19 Court to plausibly view that Westlake mischaracterized Plaintiff's account status—again, the 20 contract between Plaintiff and Westlake appears to be critical in this case and has not been 21 included.

Without knowing the terms of their agreement, the Court is unable to determine whether 22 Westlake engaged in an unfair characterization, was allowed to limit how it accepts payments, was 23 allowed to assess administrative fees, and followed an agreed to repossession term. 24 Plaintiff has not sufficiently stated a FCDPA claim.

The Court will grant Plaintiff leave to 25 amend. 26 C. Truth in Lending Act (Regulation Z) 27 Congress enacted TILA "to assure a meaningful disclosure of credit terms so that the 1 the uninformed use of credit, and to protect the consumer against inaccurate and unfair credit 2 billing and credit card practices." 15 U.S.C. § 1601. TILA entrusts the Federal Reserve Board 3 with implementation of the Act, and the agency has imposed "even more precise" disclosure 4 requirements through Regulation Z. *Virachack v. Univ.*

Ford, 410 F.3d 579, 581 (9th Cir. 2005) 5 Plaintiff has brought a generalized TILA Regulation Z claim related to disclosures, which 6 must be made clearly and conspicuously before consummation on the contract or a separate 7 disclosure statement. (ECF No. 13, p. 40.) It appears Plaintiff also takes issue with finance 8 charges, APR, and the late-payment, the prepayment, and security-interest terms.

(*Id.*) Though 9 there is possibly a TILA claim even with Plaintiff's broad allegations, the Court is again unable to 10 evaluate such a claim without the contract, or exact terms, presented to the Court. 11 Accordingly, the Court finds that Plaintiff has failed to state a claim.

As with Plaintiff's 12 other claims, the Court will grant Plaintiff leave to amend. Should Plaintiff do so, the Court 13 observes that including the relevant contract appears to be essential to Plaintiff's claims. 14 D. 42 U.S.C. § 1983 15 Plaintiff brings a procedural due process claim through 42 U.S.C. § 1983. "To state a 16 claim under § 1983, a plaintiff must allege the violation of a right secured by the Constitution and 17 laws of the United States, and must show that the alleged deprivation was committed by a person 18 acting under color of state law." *West v. Atkins*, 487 U.S. 42, 48 (1988).

19 Plaintiff has sued two private parties, Westlake Financial Services, Inc. and Paramount 20 Recovery Services, LLC. However, a claim brought through Section 1983 requires allegations that 21 a state actor violated a right secured by the Constitution or laws of the United States. *Civil Rights Cases*, 109 U.S. 3, 11 (1883). "Individual invasion of individual rights is not the subject-matter of 23 the [Fourteenth] amendment." *Id.* Plaintiff attempts to plead around this issue by directing the 24 Court to a form email he received from Paramount that stated that Plaintiff should bring a police 25 receipt and picture identification when attending his redemption appointment.

Based on this fact 26 alone, Plaintiff attempts to invoke the state actor doctrine through a private party. To be sure, 27 private actors may at times be found to be state actors. See *Brentwood Academy v. Tennessee 1 state actor doctrine and private entities*).³ However, the only fact Plaintiff has alleged in support of 2 state action is that Paramount sent him a form email that told Plaintiff to bring a police receipt to 3 his redemption appointment.

Even accepting Plaintiff's suggestion that this email demonstrated 4 that Paramount contacted the Fresno Police Department, that allegation itself falls short of 5 demonstrating that Paramount was subject to the coercive power of the State, that Paramount was 6 acting as a willful participant in joint activity with the State, that the State significantly encouraged 7 Paramount, that Paramount was essentially an agency of the State or was delegated a public 8 function, or that Paramount was entwined with governmental policies.

9 Because Plaintiff has failed to plead a state actor deprived him of a constitutionally or 10 statutorily guaranteed federal right, Plaintiff's § 1983 claim fails to state a claim. 11 E. State Law Claims 12 Federal courts are courts of limited jurisdiction. See, e.g., *Kokkonen v. Guardian Life Ins. 13 Co. of Am.*, 511 U.S. 375, 377 (1994). Federal courts can adjudicate only cases that the 14 Constitution or Congress authorize them to adjudicate: those cases involving diversity of 15 citizenship (where the parties are from diverse states), or a federal question, or those cases to 16 which the United States is a party.

See *id.* Federal courts are presumptively without jurisdiction 17 over civil cases and the burden of establishing the contrary rests upon the party asserting 18 jurisdiction. *Id.* at 377. 19 20 21 3 We have, for example, held that a challenged activity may be state action when it results from the State's exercise of "coercive power," *Blum*, 457 U.S., at 22 1004, 102 S. Ct.

2777, when the State provides “significant encouragement, either overt or covert,” *ibid.*, or when a private actor operates as a “willful participant in joint activity with the State or its agents,” *Lugar, supra*, at 941, 102 S. Ct. 2744 (internal quotation marks omitted).

We have treated a nominally private entity as a state actor when it is controlled by an “agency of the State,” *Pennsylvania v. Board of Directors of City Trusts of Philadelphia*, 253 U.S. 230, 231 (1957) (*per curiam*), when it has been delegated a public function by the State, *cf.*, e.g., *West v. Atkins, supra*, at 56, 108 S. Ct. 2250; *Edmonson v. Leesville Concrete Co.*, 500 U.S. 614, 627-28 (1991), when it is “entwined with governmental policies,” or when government is “entwined in [its] management or control,” *Evans v. Newton*, 382 U.S. 296, 299, 301 (1966).

1 As relevant here, the operative complaint is premised on federal question jurisdiction. 2 (ECF No. 13, p. 8.) In cases premised on federal question jurisdiction, a federal district court may 3 exercise supplemental jurisdiction over related-state law claims.

However, when there is no basis 4 for federal question jurisdiction, the district court lack subject-matter jurisdiction and may not 5 reach state-law claims independently. Here, the Court has found that Plaintiff has failed to state a 6 federal claim, and therefore, the Court will, in an exercise of judicial economy, decline to analyze 7 Plaintiff’s state-law claims at this time.

8 IV. 9 CONCLUSION AND ORDER 10 For the reasons discussed herein, Plaintiff has failed to state any cognizable federal claims 11 for relief and will be granted leave—for a final time—to file a third amended complaint to cure 12 the deficiencies identified in this order, if he believes he can do so in good faith. See *Lopez v. Smith*, 203 F.3d 1122, 1127 (9th Cir.

2000). If Plaintiff chooses to file a third amended complaint, 14 that complaint can be brief, Fed. R. Civ. P. 8(a), but it must state what each named defendant did 15 that led to the deprivation of Plaintiff’s constitutional rights or violations of state law. *Iqbal*, 556 U.S. at 678-79. Importantly, the “[f]actual allegations must be [sufficient] to raise a right to relief 17 above the speculative level.” *Twombly*, 550 U.S. at 555 (citations omitted).

Additionally, 18 Plaintiff may not change the nature of this suit by adding new, unrelated claims in her amended 19 complaint. 20 Finally, Plaintiff is informed that the Court cannot refer to a prior pleading in order to make 21 Plaintiff’s amended complaint complete. Local Rule 220 requires that an amended complaint be 22 complete in itself without reference to any prior pleading.

This requirement exists because, as a 23 general rule, an amended complaint supersedes the original complaint. See *Ramirez v. County of San Bernardino*, 806 F.3d 1002, 1008 (9th Cir. 2015). 25 Based on the foregoing, IT IS HEREBY ORDERED that: 26 1.

The Clerk of the Court shall send Plaintiff a complaint for civil case form; 27 2. Within thirty (30) days from the date of service of this order, Plaintiff shall file a 1 order. This shall be Plaintiff’s

final opportunity for leave to amend; 2 3.

The third amended complaint, including attachments, shall not exceed twenty-five 3 (25) pages in length. Should Plaintiff fail to comply with this page limitation, the 4 Court will not review the third amended complaint beyond page 25; and 5 4. If Plaintiff fails to file a third amended complaint in compliance with this order, the 6 Court will recommend to a district judge that this action be dismissed consistent 7 with the reasons stated in this order.

8 9 IT IS SO ORDERED. FA. Be 10 | Dated: _ October 15, 2025: STANLEY A. BOONE 1]
United States Magistrate Judge 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28