

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Michael Sandoval v. Little Caesar Enterprises, Inc.

Sandoval v. Little Caesar Enterprises · No. 8:25-cv-00727-DOC-DFM · Decided April 16, 2025

SUMMARY

The United States District Court for the Central District of California sua sponte remanded the case to the Superior Court of California, County of Orange. The court held that the First Amended Complaint eliminated federal-question jurisdiction and that the defendant had not shown by a preponderance of the evidence that the amount in controversy exceeded \$75,000 for diversity jurisdiction. The order was issued as a civil minutes order on April 16, 2025.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	David O. Carter
JURISDICTION	United States District Court for the Central District of California
DECIDED	April 16, 2025
DOCKET	8:25-cv-00727-DOC-DFM
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendant removed an action from Orange County Superior Court asserting federal-question and diversity jurisdiction. After plaintiff filed a first amended complaint pleading only a California Unruh Civil Rights Act claim and limiting the claimed relief, the federal district court sua sponte determined that it lacked subject matter jurisdiction and remanded the action to state court.
STANDARD OF REVIEW	The removing defendant bears the burden of establishing federal jurisdiction. Where the complaint does not clearly allege more than \$75,000 in controversy, the defendant must establish by a preponderance of the evidence that the amount-in-controversy requirement is satisfied. Subject matter jurisdiction may be raised sua sponte at any time before final judgment.
PRECEDENTIAL VALUE	unpublished district court order; precedential status unknown

TOPICS

subject matter jurisdiction

civil procedure

federalism

public accommodations discrimination

PRACTICE AREAS

Civil procedure

Federal jurisdiction

Removal and remand

Americans with Disabilities Act

California Unruh Civil Rights Act

QUESTIONS PRESENTED

1. Whether plaintiff's post-removal amended complaint, which eliminated the federal claim, left federal-question jurisdiction in the district court.
2. Whether defendant established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 for purposes of diversity jurisdiction.
3. Whether the district court was required to remand the action for lack of subject matter jurisdiction.

HOLDINGS

1. When a plaintiff amends the complaint after removal to eliminate all federal-law claims, the district court loses federal-question jurisdiction over the remaining state-law claims.
2. Where the complaint does not expressly allege more than \$75,000 in controversy, the removing defendant must prove by a preponderance of the evidence that the amount-in-controversy requirement is satisfied.
3. On the record presented, the amount in controversy was \$66,000, not more than \$75,000, because the court included the \$50,000 limit on injunctive relief, \$12,000 in potential statutory damages, and \$4,000 for deterrence, but declined to include speculative civil penalties or attorney's fees.
4. When a federal district court lacks subject matter jurisdiction over a removed action, it must remand the action to state court.

KEY QUOTATIONS

“If at any time before final judgment it appears that the district court lacks subject matter jurisdiction, the case shall be remanded.” (2)

“A removing defendant ‘may not meet [its] burden by simply reciting some ‘magical incantation’ to the effect that ‘the matter in controversy exceeds the sum of [\$75,000],’ but instead, must set forth in the removal petition the underlying facts supporting its assertion that the amount in controversy exceeds [\$75,000].” (3)

“Therefore, the Court respectfully encourages Congress to reconsider the amount in controversy minimum.” (5)

FACTUAL BACKGROUND

Michael Sandoval alleged that Little Caesar Enterprises's website was inaccessible to blind and visually impaired consumers. The original complaint asserted claims under the Americans with Disabilities Act and California's Unruh Civil Rights Act. After removal, Sandoval amended the complaint to plead only the Unruh Act claim,

limit injunctive relief to \$50,000, and seek \$4,000 per statutory violation, \$4,000 for deterrence, and attorney's fees.

PROCEDURAL HISTORY

Plaintiff filed the original complaint in Orange County Superior Court on April 2, 2025, alleging violations of the Americans with Disabilities Act and California's Unruh Civil Rights Act. Defendant removed the case to the Central District of California on April 9, 2025. Plaintiff filed a first amended complaint on April 15, 2025, eliminating the federal claim and limiting the requested relief. The district court remanded the case sua sponte on April 16, 2025, concluding that neither federal-question nor diversity jurisdiction existed.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case was remanded to the Superior Court of Orange County, California. The Clerk was directed to serve the minute order on the parties.

CASES CITED

- *Ethridge v. Harbor House Rest.*, 861 F.2d 1389, 1393 (9th Cir. 1988)
- *Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546, 553 (2005)
- *Guglielmino v. McKee Foods Corp.*, 506 F.3d 696, 699 (9th Cir. 2007)
- *St. Paul Mercury Indem. Co. v. Red Cab Co.*, 303 U.S. 283, 288-89 (1938)
- *Crum v. Circus Enters.*, 231 F.3d 1129, 1131 (9th Cir. 2000)
- *Gaus v. Miles, Inc.*, 980 F.2d 564, 567 (9th Cir. 1992)
- *Sanchez v. Monumental Life Ins. Co.*, 102 F.3d 398, 403-04 (9th Cir. 1996)
- *Richmond v. Allstate Ins. Co.*, 897 F. Supp. 447, 450 (S.D. Cal. 1995)
- *Coleman v. Estes Express Lines, Inc.*, 730 F. Supp. 2d 1141, 1148-49 (C.D. Cal. 2010)
- *Matheson v. Progressive Specialty Ins. Co.*, 319 F.3d 1089, 1090-91 (9th Cir. 2003)
- *Singer v. State Farm Mut. Auto. Ins. Co.*, 116 F.3d 373, 377 (9th Cir. 1997)
- *Gonzalez v. Crosby*, 545 U.S. 524, 534 (2005)
- *Steel Co. v. Citizens for a Better Env't*, 523 U.S. 83, 94, 101-02 (1998)
- *Snell v. Cleveland, Inc.*, 316 F.3d 822, 826 (9th Cir. 2002)
- *Royal Canin U. S. A., Inc. v. Wulschleger*, 604 U.S. 22, 30 (2025)