UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Murrey Life Insurance & Endowment Trust v. Kohl's, Inc.

No. 3:25-cv-2134-CAB-JLB, United States District Court for the Southern District of California (August 20, 2025)

SUMMARY

The United States District Court for the Southern District of California denied the plaintiff's application to proceed in forma pauperis and dismissed the complaint and motion for a temporary restraining order. The court held that a trustee may not represent a trust pro se and that the complaint did not establish federal-question or diversity jurisdiction. The dismissal under Federal Rule of Civil Procedure 12(b)(1) was without prejudice, and the court permitted refiling of an amended complaint by September 3, 2025.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Cathy Ann Bencivengo
JURISDICTION	United States District Court for the Southern District of California
DECIDED	August 20, 2025
DOCKET	3:25-cv-2134-CAB-JLB
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff filed a civil complaint, an application to proceed in forma pauperis, and a motion for a temporary restraining order. The district court denied the IFP application and dismissed the complaint for lack of subject-matter jurisdiction under Federal Rule of Civil Procedure 12(b)(1), without prejudice, while permitting amendment.
STANDARD OF REVIEW	The court independently examined subject-matter jurisdiction and could dismiss sua sponte under Federal Rule of Civil Procedure 12(b)(1).
PRECEDENTIAL VALUE	Unpublished district court order; precedential status unknown.

TOPICS

subject matter jurisdiction · motions to dismiss · trusts · commercial litigation · civil procedure

PRACTICE AREAS

federal civil procedure · federal jurisdiction · trust litigation · commercial litigation

QUESTIONS PRESENTED

1. Whether a trustee may proceed pro se on behalf of a trust and obtain in forma pauperis status.
2. Whether the complaint established federal-question jurisdiction based on a claim arising under the Uniform Commercial Code.
3. Whether the complaint established diversity jurisdiction, including the requirement that the amount in controversy exceed $75,000.
4. Whether the court could dismiss the action sua sponte under Federal Rule of Civil Procedure 12(b)(1) for lack of subject-matter jurisdiction.

HOLDINGS

1. A trustee may not proceed pro se on behalf of a trust; the trust must obtain counsel to represent its interests.
2. A claim arising under the Uniform Commercial Code does not, without more, present a federal question because the UCC is state law.
3. The complaint did not establish diversity jurisdiction because Plaintiff failed to show an amount in controversy greater than $75,000.
4. The court may dismiss an action sua sponte under Federal Rule of Civil Procedure 12(b)(1) when subject-matter jurisdiction is absent, and the dismissal is without prejudice.

KEY QUOTATIONS

> *"subject-matter jurisdiction, because it involves a court's power to hear a case, can never be forfeited or waived."* (2)

> *"As pleaded, Plaintiff has not established subject matter jurisdiction based on either diversity or a proper federal question."* (2)

FACTUAL BACKGROUND

Murrey Life Insurance and Endowment Trust sued Kohl's, Inc., asserting what appeared to be a claim arising under the Uniform Commercial Code and seeking a temporary restraining order. The complaint asserted federal-question jurisdiction but did not identify a federal cause of action. The materials indicated damages of only $10,000, and the complaint did not establish the amount-in-controversy requirement for diversity jurisdiction. The named representative, Mr. Murrey, sought to represent the trust without counsel.

PROCEDURAL HISTORY

On August 19, 2025, Murrey Life Insurance and Endowment Trust filed a complaint against Kohl's, Inc., along with an IFP application and a motion for a temporary restraining order. The district court concluded that the trust could not proceed through a pro se trustee, denied the IFP motion as moot, and dismissed the action without prejudice because the complaint established neither federal-question nor diversity jurisdiction. The court allowed Plaintiff to file an amended complaint by September 3, 2025.

DISPOSITION

dismissed

CASES CITED

- C.E. Pope Equity Trust v. United States, 818 F.2d 696, 697 (9th Cir. 1987)
- Maisano v. Welcher, 940 F.2d 499, 501 (9th Cir. 1991)
- Exxon Mobil Corp. v. Allapattah Servs., Inc., 545 U.S. 546, 552 (2005)
- United States v. Cotton, 535 U.S. 625, 630 (2002)
- Snell v. Cleveland, Inc., 316 F.3d 822, 826 (9th Cir. 2002)
- Maxwell v. Kaylor, No. 19-CV-07832-LHK, 2020 WL 4732340, at *6 (N.D. Cal. Aug. 14, 2020)
- Hebbe v. Pliler, 627 F.3d 342 (9th Cir. 2010)
- Jackson v. Ariz., 885 F.2d 639, 640-41 (9th Cir. 1989), superseded by statute on other grounds as stated in Lopez v. Smith, 203 F.3d 1122, 1130 (9th Cir. 2000)
- Lopez v. Smith, 203 F.3d 1122, 1130 (9th Cir. 2000)
- Canela v. Costco Wholesale Corp., 971 F.3d 849 (9th Cir. 2020)
