

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

United States v. Salazar

No. 1:23-cv-01282-JLT-CDB (E.D. Cal. Apr. 23, 2025) · No. 1:23-cv-01282-JLT-CDB · Decided April 23, 2025

SUMMARY

The document contains findings and recommendations by a United States magistrate judge recommending denial of Defendants’ motion to set aside a default judgment in an action alleging sexual harassment in violation of the Fair Housing Act. The recommendation concludes that Defendants’ conduct was culpable and that they failed to present a meritorious defense, while finding the prejudice factor neutral. The parties were given 14 days to file objections.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	April 23, 2025
DOCKET	1:23-cv-01282-JLT-CDB
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved under Federal Rules of Civil Procedure 55(c) and 60(b)(1) to set aside a default judgment entered in favor of the United States. The magistrate judge issued findings and recommendations recommending denial of the motion.
STANDARD OF REVIEW	Under Rules 55(c) and 60(b)(1), relief from default judgment based on excusable neglect requires consideration of the defendant's culpable conduct, the existence of a meritorious defense, and prejudice to the opposing party. The test is disjunctive, so a finding that any one factor is satisfied may justify refusing to set aside the default judgment.
PRECEDENTIAL VALUE	nonprecedential
PARTIES	Javier Salazar, Jr., Javier Salazar, Sr., Ricardo Covarrubias v. United States of America

TOPICS

- default judgment
- default
- civil procedure
- affirmative defenses
- civil rights

PRACTICE AREAS

civil procedure

fair housing

civil rights

default judgment

remedies

QUESTIONS PRESENTED

1. Whether Defendants demonstrated excusable neglect warranting relief from the default judgment under Federal Rules of Civil Procedure 55(c) and 60(b)(1).
2. Whether Defendants' conduct was culpable, whether they presented a meritorious defense, and whether setting aside the default judgment would prejudice the United States.

HOLDINGS

1. Defendants' failure to respond was culpable because they had actual or constructive notice of the action, were repeatedly advised of their obligations, and nevertheless failed to answer or otherwise participate in the litigation.
2. Defendants failed to present a meritorious defense because their bare assertions of unintentional or misunderstood conduct and false accusations were unsupported by specific facts.
3. The prejudice factor was neutral because the record did not establish that reopening the case would cause cognizable prejudice beyond delay and inconvenience.

KEY QUOTATIONS

“judgment by default is a drastic step appropriate only in extreme circumstances; a case should, whenever possible, be decided on the merits.” (at 3)

“Defendants’ characterization of their conduct as merely excusably neglectful is baseless.” (at 7)

“In short, because Defendants failed to identify any potentially viable defenses, “nothing but pointless delay can result from reopening the judgment.”” (at 9)

FACTUAL BACKGROUND

The United States served Salazar Jr., Salazar Sr., and Covarrubias with a Fair Housing Act complaint alleging sex discrimination and severe or pervasive sexual harassment involving Angela McGinnis. Defendants repeatedly delayed responding, failed to obtain counsel or file an answer, and did not oppose the motion for default judgment despite court orders and extensions. The district court entered default judgment awarding damages and imposing modified injunctive relief. Defendants later asserted that their delay resulted from lack of awareness, limited English proficiency, and difficulty obtaining counsel, but offered no specific facts establishing a meritorious defense.

PROCEDURAL HISTORY

The United States sued Defendants under Title VIII of the Civil Rights Act of 1968, the Fair Housing Act, alleging sex discrimination and sexual harassment. After Defendants failed to timely respond despite service, communications with Plaintiff's counsel, court admonitions, and extensions to obtain counsel, the Clerk entered defaults and the magistrate judge recommended default judgment. The district judge adopted the

recommendation in part, granted default judgment as modified, and closed the case. Defendants then moved to set aside the default judgment; this opinion recommends denying that motion.

DISPOSITION

other

REMAND INSTRUCTIONS

None. The magistrate judge recommended that the district judge deny Defendants' motion to set aside the default judgment. The parties were given 14 days to file objections.

CASES CITED

- United States v. Aguilar, 782 F.3d 1101, 1105-06 (9th Cir. 2015)
- U.S. v. Signed Personal Check No. 730 of Yubran S. Mesle, 615 F.3d 1085, 1091-95 (9th Cir. 2010)
- Falk v. Allen, 739 F.2d 461, 463 (9th Cir. 1984) (per curiam)
- TCI Group Life Insurance Plan v. Knoebber, 244 F.3d 691, 697-701 (9th Cir. 2001)
- Delgado v. Dempsey's Adult Care Homes, LLC, No. 22-15176, 2023 WL 3034263, at *1 (9th Cir. Apr. 21, 2023)
- Meadows v. Dominican Republic, 817 F.2d 517, 521-22 (9th Cir. 1987)
- Brandt v. American Bankers Insurance Co. of Florida, 653 F.3d 1108, 1111 (9th Cir. 2011)
- Hawaii v. Carpenters' Trust Funds v. Stone, 794 F.2d 508, 513 (9th Cir. 1986)
- Audio Toys, Inc. v. Smart AV Pty Ltd., No. CV 06-6298-SBA, 2007 WL 1655793, at *3 (N.D. Cal. June 7, 2007)
- Thompson v. American Home Assurance Co., 95 F.3d 429, 433-34 (6th Cir. 1996)
- Francois & Co., LLC v. Nadeau, 334 F.R.D. 588, 599 (C.D. Cal. 2020)
- Franchise Holding II, LLC v. Huntington Restaurants Group, Inc., 375 F.3d 922, 926-27 (9th Cir. 2004)
- Wilkerson v. Wheeler, 772 F.3d 834, 839 (9th Cir. 2014)