

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF  
CALIFORNIA

Nhi Vo v. AB Car Rental Services, Inc. et al.

Vo v. AB Car Rental Services · No. 8:25-cv-02044-DOC-JDE · Decided October 1, 2025

SUMMARY

The United States District Court for the Central District of California sua sponte remands this employment action to the Superior Court of California, County of Orange. The court concludes that the state-law claims are not preempted under § 301 of the Labor Management Relations Act and that defendants failed to establish diversity jurisdiction because the amount in controversy was not shown to exceed \$75,000. The court vacates all proceedings and removes the matter from its calendar.

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               | October 1, 2025                                                                                                                                                                                                                                                                                         |
| DOCKET                | 8:25-cv-02044-DOC-JDE                                                                                                                                                                                                                                                                                   |
| DISPOSITION           | remanded                                                                                                                                                                                                                                                                                                |
| PROCEDURAL POSTURE    | Defendants removed Plaintiff's California employment action from the Superior Court of California, County of Orange, asserting federal-question and diversity jurisdiction. The district court sua sponte determined that it lacked subject-matter jurisdiction and remanded the action to state court. |
| STANDARD OF REVIEW    | The court independently assessed subject-matter jurisdiction, including federal-question and diversity jurisdiction, and applied the rule that removal statutes are strictly construed against removal and that the removing party bears the burden of establishing federal jurisdiction.               |
| PRECEDENTIAL VALUE    | Unpublished district court order; persuasive value only.                                                                                                                                                                                                                                                |
| PARTIES               | AB Car Rental Services, Inc., Avis Budget Group, Inc. v. Nhi Vo                                                                                                                                                                                                                                         |

TOPICS

subject matter jurisdiction

civil procedure

federalism

wrongful termination

sexual harassment

## PRACTICE AREAS

civil procedure

employment law

federal jurisdiction

labor law

## QUESTIONS PRESENTED

1. Whether the plaintiff's state-law employment claims were completely preempted under § 301 of the Labor Management Relations Act because their resolution allegedly required interpretation of a collective bargaining agreement.
2. Whether federal diversity jurisdiction existed when Defendants failed to show by a preponderance of the evidence that the amount in controversy exceeded \$75,000.
3. Whether the district court was required to remand the action sua sponte for lack of subject-matter jurisdiction.

## HOLDINGS

1. The plaintiff's state-law employment claims were not preempted under § 301 of the LMRA because they asserted rights arising from state law and could be resolved without interpreting the collective bargaining agreement.
2. Defendants failed to establish that the amount in controversy exceeded \$75,000, so diversity jurisdiction was absent.
3. When the district court lacks subject-matter jurisdiction, it must remand a removed action to state court, including when the jurisdictional defect is identified sua sponte.

## KEY QUOTATIONS

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

*"A state-law right is "substantially dependent on the analysis of the CBA" if "the claim cannot be resolved" without interpreting the CBA versus "simply looking to the CBA.""* (p. 5)

*"Therefore, under this two-step test, Plaintiff's state-law claims are not preempted by § 301."* (p. 7)

*"For the reasons set forth above, the Court hereby REMANDS this case to the Superior Court of Orange County."* (p. 9)

## FACTUAL BACKGROUND

Nhi Vo worked as a rental sales agent for AB Car Rental Services and Avis Budget Group. She alleged sexual harassment by a coworker, retaliation after reporting the harassment and workplace conduct, whistleblower retaliation, wrongful termination, and unpaid commissions and vacation wages. After receiving warnings, suspension, and termination in August 2023, she filed state-law employment claims in California state court; Defendants removed the case based on alleged federal-question and diversity jurisdiction.

## PROCEDURAL HISTORY

Vo filed suit in the Superior Court of California, County of Orange, on August 11, 2025. Defendants removed the action to the Central District of California on September 10, 2025. On October 1, 2025, the district court remanded the case sua sponte and vacated all proceedings.

## DISPOSITION

remanded

## REMAND INSTRUCTIONS

The case was remanded to the Superior Court of Orange County. All proceedings were vacated and removed from the federal court's calendar, and 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.*, 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)
- *Geographic Expeditions, Inc. v. Estate of Lhotka ex rel. Lhotka*, 599 F.3d 1102, 1106-07 (9th Cir. 2010)
- *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)
- *Wayne v. DHL Worldwide Express*, 294 F.3d 1179, 1183 & n.2 (9th Cir. 2002)
- *Franchise Tax Bd. of Cal. v. Constr. Laborers Vacation Trust for S. Cal.*, 463 U.S. 1, 13 (1983)
- *Caterpillar Inc. v. Williams*, 482 U.S. 386, 393-94 (1987)
- *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)
- *Columbia Export Terminal, LLC v. Int'l Longshore and Warehouse Union*, 23 F.4th 836, 842 (9th Cir. 2022)
- *Burnside v. Kiewit Pacific Corp.*, 491 F.3d 1053, 1059 (9th Cir. 2007)
- *Dent v. Nat'l Football League*, 902 F.3d 1109, 1116-17 (9th Cir. 2018)
- *McCray v. Marriott Hotel Services, Inc.*, 902 F.3d 1005, 1010 (9th Cir. 2018)
- *Lehr v. Sierra Ambulance Service*, 2018 WL 6445687, at \*3 (E.D. Cal. 2018)
- *Milne Employees Ass'n v. Sun Carriers, Inc.*, 960 F.2d 1401, 1408 (9th Cir. 1992)

- Cramer v. Consolidated Freightways, Inc., 255 F.3d 683, 689 (9th Cir. 2001)
- Kanter v. Warner-Lambert Co., 52 F. Supp. 2d 1126, 1129 (N.D. Cal. 1999)
- Royal Canin U.S.A., Inc. v. Wulfschleger, 604 U.S. 22, 30 (2025)
- Chavez v. JPMorgan Chase & Co., 888 F.3d 413, 414-15 (9th Cir. 2018)
- Traxler v. Multnomah Cnty., 596 F.3d 1007, 1011 (9th Cir. 2010)
- Galt G/S v. JSS Scandinavia, 142 F.3d 1150, 1156 (9th Cir. 1998)

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