

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Michael Reese v. JetBlue Airways Corporation

Reese v. JetBlue · No. 2:25-cv-00251-FLA (JPRx) · Decided March 28, 2025

SUMMARY

The United States District Court for the Central District of California orders the parties to show cause why the action should not be remanded for lack of subject-matter jurisdiction. The court questions whether the notice of removal establishes by a preponderance of the evidence that the amount in controversy exceeds \$75,000 and directs the parties to respond in writing within fourteen days.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Fernando L. Aenlle-Rocha
JURISDICTION	United States District Court for the Central District of California
DECIDED	March 28, 2025
DOCKET	2:25-cv-00251-FLA (JPRx)
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed the action to federal court. The district court sua sponte reviewed the Notice of Removal and ordered the parties to show cause why the action should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	The court independently examines subject matter jurisdiction sua sponte. When the amount in controversy is contested or questioned, the party asserting federal jurisdiction must establish by a preponderance of the evidence that the jurisdictional threshold is satisfied.
PRECEDENTIAL VALUE	unpublished district court order

TOPICS

- subject matter jurisdiction
- civil procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the Notice of Removal adequately established diversity subject matter jurisdiction by demonstrating that the amount in controversy exceeds \$75,000.
2. Whether the parties should be ordered to show cause why the action should not be remanded for lack of subject matter jurisdiction.

HOLDINGS

1. The Notice of Removal did not presently demonstrate by a preponderance of the evidence that the amount in controversy exceeds \$75,000, so the court required Defendant to provide further support for federal jurisdiction.
2. The court did not yet order remand; instead, it ordered the parties to show cause in writing within fourteen days why remand should not occur and warned that Defendant's failure to respond adequately would result in remand.

KEY QUOTATIONS

“Federal courts are courts of “limited jurisdiction,” possessing “only that power authorized by the Constitution and statute[.]”” (at 1)

“A complaint filed in federal court must contain “a plausible allegation that the amount in controversy exceeds the jurisdictional threshold.”” (at 2)

“Where a party contests, or the court questions, a party’s allegations concerning the amount in controversy, both sides shall submit proof, and the court must decide whether the party asserting jurisdiction has proven the amount in controversy by a preponderance of the evidence.” (at 2)

“The parties are ORDERED TO SHOW CAUSE, in writing only, within fourteen (14) days from the date of this Order, why this action should not be remanded for lack of subject matter jurisdiction because the amount in controversy does not exceed the jurisdictional threshold.” (at 3)

FACTUAL BACKGROUND

Defendant removed the action to federal court. The Notice of Removal asserted diversity jurisdiction under 28 U.S.C. § 1332(a), but the court found that the allegations did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded \$75,000. The court therefore required the parties to submit written responses and supporting evidence concerning the facial and factual sufficiency of Defendant's jurisdictional showing.

PROCEDURAL HISTORY

The action was removed to the United States District Court for the Central District of California. The court reviewed the Notice of Removal and determined that it could not presently conclude that diversity jurisdiction existed because the amount-in-controversy allegations did not establish, by a preponderance of the evidence, that

more than \$75,000 was in controversy. The court ordered written responses within fourteen days and warned that Defendant's failure to respond timely and adequately would result in remand.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties must submit written responses within fourteen days explaining why the action should not be remanded for failure to satisfy the amount-in-controversy requirement. Responses may include evidence and judicially noticeable facts and are limited to ten pages. Defendant's failure to respond timely and adequately will result in remand without further notice.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006)
- Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999)
- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 88–89 (2014)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014)

OPINION

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 CENTRAL DISTRICT OF
CALIFORNIA 10 11 MICHAEL REESE, et al., Case No. 2:25-cv-00251-FLA (JPRx) 12
Plaintiffs, ORDER TO SHOW CAUSE WHY 13 v. ACTION SHOULD NOT BE REMANDED
FOR LACK OF 14 SUBJECT MATTER JURISDICTION JETBLUE AIRWAYS 15
CORPORATION, 16 Defendant. 17 18 19 20 21 22 23 24 25 26 27 28 1 ORDER 2 Federal courts
are courts of “limited jurisdiction,” possessing “only that power 3 authorized by the Constitution
and statute[.]” Kokkonen v. Guardian Life Ins.

Co. of 4 Am., 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. District courts are 5
presumed to lack jurisdiction unless the contrary appears affirmatively from the 6 record. See
DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006). 7 Additionally, federal courts have
an obligation to examine jurisdiction sua sponte 8 before proceeding to the merits of a case.

See Ruhrgas AG v. Marathon Oil Co., 526 9 U.S. 574, 583 (1999). 10 Federal courts have
jurisdiction where an action arises under federal law or 11 where each plaintiff’s citizenship is
diverse from each defendant’s citizenship and the 12 amount in controversy exceeds \$75,000,
exclusive of interest and costs. 28 U.S.C. 13 §§ 1331, 1332(a). A complaint filed in federal court

must contain “a plausible 14 allegation that the amount in controversy exceeds the jurisdictional threshold.” Dart 15 Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 89 (2014).

Where a party 16 contests, or the court questions, a party’s allegations concerning the amount in 17 controversy, both sides shall submit proof, and the court must decide whether the 18 party asserting jurisdiction has proven the amount in controversy by a preponderance 19 of the evidence. Id. at 88–89; see Fed. R. Civ. P. 12(h)(3) (“If the court determines at 20 any time that it lacks subject-matter jurisdiction, the court must dismiss the action.”).

21 “Federal jurisdiction must be rejected if there is any doubt as to the right of removal in 22 the first instance.” Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992). 23 The court has reviewed the Notice of Removal and is presently unable to 24 conclude it has subject matter jurisdiction under 28 U.S.C. § 1332(a).

In particular, 25 and without limitation, the court finds that the allegations in the Notice of Removal do 26 not demonstrate by a preponderance of the evidence that the amount in controversy 27 exceeds \$75,000. 28 / / / 1 The parties are ORDERED TO SHOW CAUSE, in writing only, within 2 || fourteen (14) days from the date of this Order, why this action should not be remanded 3 | for lack of subject matter jurisdiction because the amount in controversy does not 4 | exceed the jurisdictional threshold.

The parties are encouraged to submit evidence 5 | and/or judicially noticeable facts in response to the court’s Order. Responses shall be 6 | limited to ten (10) pages in length. The parties should consider this Order to be a two- 7 || pronged inquiry into the facial and factual sufficiency of Defendant’s demonstration 8 | of jurisdiction. See Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir.

2014). 9 As Defendant is the party asserting federal jurisdiction, Defendant’s failure to 10 | respond timely and adequately to this Order shall result in remand of the action 11 | without further notice. 12 13 IT IS SO ORDERED. 14 15 | Dated: March 28, 2025 16 S "7 FERNANDO L. AENLLE-ROCHA 18 United States District Judge 19 20 21 22 23 24 25 26 27 28