

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Caroline R. Homan, Individually, and on Behalf of the Class v.
Colonial Penn Life Insurance Company

Homan v. Colonial Penn Life Insurance Co. · No. 1:25-cv-00296-JLT-SAB · Decided December 11, 2025

SUMMARY

This document is Findings and Recommendations from the United States District Court for the Eastern District of California recommending denial of Caroline R. Homan’s motion to remand a putative class action against Colonial Penn Life Insurance Company. The court concludes that the Class Action Fairness Act provides subject-matter jurisdiction and that, under Ruiz v. Bradford Exchange, Ltd., the defendant may waive the adequate-remedy-at-law objection applicable to equitable relief. The court also rejects the argument that the requested injunctive relief requires remand because of a lack of Article III standing.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Stanley A. Boone
DECIDED	December 11, 2025
DOCKET	1:25-cv-00296-JLT-SAB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to remand a putative class action removed from California Superior Court under the Class Action Fairness Act. The magistrate judge issued findings and recommendations recommending that the motion to remand be denied.
STANDARD OF REVIEW	On a motion to remand, the removing defendant bears the burden of establishing that removal is proper, and any ambiguity is resolved in favor of remand. The court examines whether the complaint contains a cause of action within the district court's original jurisdiction.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

- motions to dismiss
- class actions
- subject matter jurisdiction
- remedies
- insurance

PRACTICE AREAS

civil procedure

class actions

insurance

life insurance litigation

consumer protection

equitable relief

QUESTIONS PRESENTED

1. Whether the defendant's waiver of the adequate-remedy-at-law defense defeated plaintiff's argument that the federal court lacked equitable jurisdiction.
2. Whether the Ninth Circuit's decision in *Ruiz v. Bradford Exchange, Ltd.* applies to cases seeking equitable relief generally, rather than only equitable restitution.
3. Whether the possibility that plaintiff lacks Article III standing to pursue injunctive relief requires remand of the UCL claim or partial remand of the requested injunctive remedy.
4. Whether principles of federalism, comity, fairness, or judicial economy required the federal court to reject defendant's waiver or remand the action.

HOLDINGS

1. *Ruiz* applies generally to cases in which a plaintiff files a state-court action seeking only equitable relief; it is not limited to cases seeking equitable restitution.
2. Defendant's unambiguous waiver of its adequate-remedy-at-law defense established that removal was proper and permitted the case to proceed in federal court.
3. The possibility that plaintiff lacks Article III standing to pursue injunctive relief does not divest the district court of subject-matter jurisdiction over the underlying UCL claim when the claim is within CAFA's original jurisdiction.
4. The court should not partially remand the injunctive-relief portion of plaintiff's UCL claim while retaining the remainder of the action in federal court.

KEY QUOTATIONS

“federal courts in diversity cases apply federal principles of equitable jurisdiction; a plaintiff who fails to allege the lack of an adequate remedy at law cannot utilize a federal court’s equitable jurisdiction; equitable jurisdiction is not a matter of subject matter jurisdiction; and when a case is initially filed in federal court and the defendant demonstrates that equitable jurisdiction is lacking, a court must dismiss the case, but without prejudice.” (at 8)

“when a case is removed from state court and the district court concludes it lacks equitable jurisdiction, the court has the authority to remand the case to state court” (at 9)

“a plaintiff files a lawsuit in state court seeking only equitable relief and the case is properly removed to federal court, a defendant can defeat remand on equitable jurisdiction grounds by waiving the adequate-remedy-at-law issue.” (at 10)

“the presence of at least some claims over which the district court has original jurisdiction is sufficient to allow removal of an entire case, even if others of the claims alleged are beyond the district court’s power to decide.” (at 17)

“The lack of injunctive relief does not equate to the lack of subject matter jurisdiction over the underlying claim.” (at 18)

FACTUAL BACKGROUND

Caroline R. Homan was the beneficiary of a life insurance policy insuring her late husband's life. She alleges that Colonial Penn terminated the policy for nonpayment without providing the statutory 60-day grace period, notice of pending lapse or termination, or an annual opportunity to designate a third party to receive notice. After her husband's death, Homan contacted Colonial Penn to submit a claim and was told that the policy had been terminated and the claim would not be paid. She filed a putative class action under California's Unfair Competition Law seeking class certification, injunctive relief, restitution, and attorney's fees.

PROCEDURAL HISTORY

Plaintiff filed a California Unfair Competition Law action in the Superior Court of California, Mariposa County, on February 4, 2025. Defendant removed the action to federal court on March 10, 2025. Plaintiff moved to remand on April 9, 2025, and the district judge referred the motion to the magistrate judge for findings and recommendations. After a September 3, 2025 hearing and supplemental briefing, the magistrate judge recommended denial of remand, subject to review by the assigned district judge after objections.

DISPOSITION

other

REMAND INSTRUCTIONS

The magistrate judge recommended that the assigned district judge deny plaintiff's motion to remand. The recommendation was submitted for review under 28 U.S.C. § 636(b)(1)(C), with objections due within fourteen days of service.

CASES CITED

- Ruiz v. Bradford Exchange, Ltd., 153 F.4th 907, 909-18 (9th Cir. 2025)
- Caterpillar, Inc. v. Williams, 482 U.S. 386, 392 (1987)
- Hunter v. Philip Morris USA, 582 F.3d 1039, 1042 (9th Cir. 2009)
- Abrego Abrego v. Dow Chemical Co., 443 F.3d 676, 684 (9th Cir. 2006)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992) (per curiam)
- McHugh v. Protective Life Insurance Co., 12 Cal. 5th 213, 241, 494 P.3d 24 (2021)
- Erie Railroad Co. v. Tompkins, 304 U.S. 64 (1938)
- Guaranty Trust Co. of New York v. York, 326 U.S. 99, 105-06 (1945)
- Cates v. Allen, 149 U.S. 451 (1893)
- Quackenbush v. Allstate Insurance Co., 517 U.S. 706, 721 (1996)
- Kamm v. ITEX Corp., 568 F.3d 752, 755 (9th Cir. 2009)

- *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 514 (2006)
- *Yuba Consolidated Gold Fields v. Kilkeary*, 206 F.2d 884, 887 (9th Cir. 1953)
- *Guzman v. Polaris Industries Inc.*, 49 F.4th 1308, 1314 (9th Cir. 2022)
- *Guillemard-Ginorio v. Contreras-Gomez*, 585 F.3d 508, 517-18 (1st Cir. 2009)
- *Newtok Village v. Patrick*, 21 F.4th 608, 616 (9th Cir. 2021)
- *People v. Dominguez*, 256 Cal. App. 2d 623, 629 (Ct. App. 1967)
- *Russell v. Kohl's Department Stores, Inc.*, No. ED CV 15-1143 RGK (SPx), 2015 WL 12781206, at *1, *6 (C.D. Cal. Oct. 6, 2015)
- *Gest v. Bradbury*, 443 F.3d 1177, 1181 (9th Cir. 2006)
- *Davidson v. Kimberly-Clark Corp.*, 889 F.3d 956 (9th Cir. 2018)
- *Polo v. Innovations International, LLC*, 833 F.3d 1193, 1195-97 (9th Cir. 2016)
- *Brown v. Stroud*, No. CV 08-2348 VRW, 2011 WL 13312050, at *5 (N.D. Cal. Jan. 28, 2011)
- *Cox Communications PCS, LP v. City of San Marcos*, 204 F. Supp. 2d 1272, 1283 (S.D. Cal. 2002)
- *Ibarra v. Mannheim Investments, Inc.*, 775 F.3d 1193, 1195 (9th Cir. 2015)
- *Kruse v. State of Hawaii*, 68 F.3d 331, 334 (9th Cir. 1995)
- *Reyes v. Checksmart Financial, LLC*, 701 Fed. Appx. 655, 656-58 (9th Cir. 2017) (mem.)
- *Chuang v. Dr Pepper Snapple Group, Inc.*, No. CV 17-1875-MWF(MRWx), 2017 WL 2463951, at *2-3 (C.D. Cal. June 7, 2017)
- *Cabral v. Supple, LLC*, No. EDCV-12-00085-MWF-OP, 2016 WL 1180143, at *2-4 (C.D. Cal. Mar. 24, 2016)
- *Mezzadri v. Medical Depot, Inc.*, 113 F. Supp. 3d 1061, 1065-66 (S.D. Cal. 2015)
- *Davidson v. Kimberly-Clark Corp.*, No. C 14-1783 PJH, 2015 WL 2357088, at *4 (N.D. Cal. May 15, 2015)
- *Machlan v. Procter & Gamble Co.*, 77 F. Supp. 3d 954, 961 (N.D. Cal. 2015)
- *Mycogen Corp. v. Monsanto Co.*, 28 Cal. 4th 888, 904 (2002)
- *Wilkerson v. Wheeler*, 772 F.3d 834, 839 (9th Cir. 2014)
- *Baxter v. Sullivan*, 923 F.2d 1391, 1394 (9th Cir. 1991)