

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Kristy Fields v. Color Street LLC

Fields · No. 2:25-cv-03864-FLA (PVCx) · Decided May 22, 2025

SUMMARY

The United States District Court for the Central District of California issued an order to show cause why this putative class action should not be remanded for lack of subject matter jurisdiction. The court concluded that the notice of removal did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded the Class Action Fairness Act's \$5 million threshold. The parties were ordered to submit written responses within fourteen days, with the defendant's failure to respond resulting in remand.

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	May 22, 2025
DOCKET	2:25-cv-03864-FLA (PVCx)
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed the action from state court, and the district court sua sponte issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction under the Class Action Fairness Act.
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 prove by a preponderance of the evidence that the jurisdictional threshold is satisfied.
PRECEDENTIAL VALUE	Unknown; interlocutory district court order to show cause

TOPICS

- subject matter jurisdiction
- class actions
- civil procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the Notice of Removal adequately established that the amount in controversy exceeded CAFA's \$5 million jurisdictional threshold.
2. Whether the action should be remanded for lack of subject matter jurisdiction if the removing defendant cannot establish the amount in controversy by a preponderance of the evidence.

HOLDINGS

1. The removing defendant bears the burden of establishing federal jurisdiction under CAFA, including proving that the amount in controversy exceeds \$5 million.
2. The Notice of Removal was presently insufficient to establish by a preponderance of the evidence that the amount in controversy exceeded \$5 million, warranting an order to show cause regarding remand.

KEY QUOTATIONS

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

“A notice removing a case from state court to federal court must include “a plausible allegation that the amount in controversy exceeds the jurisdictional threshold.”” (at 1)

“When plaintiffs ... have prepared a complaint that does not assert the amount in controversy, or that affirmatively states that the amount in controversy does not exceed \$5 million, if a defendant wants to pursue a federal forum under CAFA, that defendant in a jurisdictional dispute has the burden to put forward evidence showing that the amount in controversy exceeds \$5 million ... and to persuade the court that the estimate of damages in controversy is a reasonable one.” (at 1)

FACTUAL BACKGROUND

The defendant removed a putative class action to federal court under the Class Action Fairness Act. The Notice of Removal alleged federal jurisdiction, but the court found that it did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded \$5 million. The court therefore required the parties to submit evidence or judicially noticeable facts addressing the jurisdictional allegations.

PROCEDURAL HISTORY

The action was removed to the Central District of California. After reviewing the Notice of Removal, the court was unable to conclude that federal subject matter jurisdiction existed because the allegations did not establish by a preponderance of the evidence that the amount in controversy exceeded \$5 million. The court ordered the parties to respond in writing within fourteen days and warned that failure by the removing defendant to respond timely would result in remand.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties were ordered to show cause in writing within fourteen days why the action should not be remanded for lack of subject matter jurisdiction. Responses were limited to ten pages and could include evidence or judicially noticeable facts addressing the facial and factual sufficiency of the jurisdictional showing. No final remand determination was made in this order.

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)
- Abrego Abrego v. The Dow Chem. Co., 443 F.3d 676, 682-83 (9th Cir. 2006)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 88-89 (2014)
- Ibarra v. Manheim Invs. Inc., 775 F.3d 1193, 1197 (9th Cir. 2015)
- Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014)