

**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

OPINION

Kristy Fields v. Color Street LLC

PER CURIAM.

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8 UNITED STATES DISTRICT COURT

9 CENTRAL DISTRICT OF CALIFORNIA

10 11 KRISTY FIELDS, Case No. 2:25-cv-03864-FLA (PVCx) 12 Plaintiff,

ORDER TO SHOW CAUSE WHY

13 v. ACTION SHOULD NOT BE

REMANDED FOR LACK OF

14

SUBJECT MATTER JURISDICTION

COLOR STREET LLC, et al., 15 Defendants. 16 17 18 Federal courts are courts of “limited jurisdiction,” possessing only “power 19 authorized by the Constitution and statute[.]” Kokkonen v. Guardian Life Ins. Co. of 20 Am., 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to 21 lack jurisdiction unless the contrary appears affirmatively from the record. See 22 DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal 23 courts have an obligation to examine jurisdiction sua sponte before proceeding to the 24 merits of a case. See Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999). 25 The Class Action Fairness Act (“CAFA”) vests original jurisdiction in district 26 courts over a purported class action if all the following requirements are met: (1) the 27 amount in controversy exceeds \$5 million; (2) at least one putative class member is a 28 citizen of a state different from any defendant; and (3) the putative class exceeds 100 1 members. 28 U.S.C. § 1332(d)(2), (5). The removing defendant bears the burden of 2 establishing federal jurisdiction, “including any applicable amount in controversy 3 requirement.” Abrego Abrego v. The Dow Chem. Co., 443 F.3d 676, 682–83 (9th Cir. 4 2006) (citing Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)). However, 5 unlike cases removed under diversity jurisdiction, “no antiremoval presumption 6 attends cases invoking CAFA.” Dart Cherokee Basin Operating Co. v. Owens, 574 7 U.S. 81, 89 (2014). 8 A notice removing a case from state court to federal court must include “a 9 plausible allegation that the amount in controversy exceeds the jurisdictional 10 threshold.” Id. Where a party contests or the court questions another party’s 11 allegations concerning the amount in

controversy, both sides shall submit proof and 12 the court must decide whether the party asserting jurisdiction has proven the amount 13 in controversy by a preponderance of the evidence. Id. at 88–89; see 28 U.S.C. 14 § 1447 (“If at any time before final judgment it appears that the district court lacks 15 subject matter jurisdiction, the case shall be remanded.”). 16 This procedure applies equally to the amount in controversy requirement in 17 CAFA actions. “When plaintiffs ... have prepared a complaint that does not assert the 18 amount in controversy, or that affirmatively states that the amount in controversy does 19 not exceed \$5 million, if a defendant wants to pursue a federal forum under CAFA, 20 that defendant in a jurisdictional dispute has the burden to put forward evidence 21 showing that the amount in controversy exceeds \$5 million ... and to persuade the 22 court that the estimate of damages in controversy is a reasonable one.” Ibarra v. 23 Manheim Invs. Inc., 775 F.3d 1193, 1197 (9th Cir. 2015). “Under this system, 24 CAFA’s requirements are to be tested by consideration of real evidence and the reality 25 of what is at stake in the litigation, using reasonable assumptions underlying the ... 26 theory of damages exposure.” Id. As a result, the party asserting jurisdiction in 27 CAFA actions bears the burden to put forward allegations and sufficient evidence that 28 the amount in controversy exceeds \$5 million. I The court has reviewed Defendant’s Notice of Removal and is presently unable 2 | to conclude it has subject matter jurisdiction under CAFA. In particular, and without 3 | limitation, the court finds that the allegations in the Notice of Removal do not 4 | demonstrate by a preponderance of the evidence that the amount in controversy 5 || exceeds \$5 million. 6 Accordingly, the parties are ORDERED TO SHOW CAUSE, in writing only, 7 || within fourteen (14) days from the date of this Order, why this action should not be 8 | remanded for lack of subject matter jurisdiction because the amount in controversy 9 | does not exceed the jurisdictional threshold. The parties are encouraged to submit 10 | evidence and/or judicially noticeable facts in response to the court’s Order. 11 | Responses shall be limited to ten (10) pages in length. The parties should consider 12 | this Order to be a two-pronged inquiry into the facial and factual sufficiency of 13 | Defendant’s demonstration of jurisdiction. See Leite v. Crane Co., 749 F.3d 1117, 14 | 1122 (9th Cir. 2014). 15 As it is the party asserting federal jurisdiction, Defendant’s failure to timely 16 || respond to this Order shall result in the remand of this action without further warning. 17 18 IT IS SO ORDERED. 19 20 | Dated: May 22, 2025

2 FERNANDO L. AENLLE-ROCHA

23 United States District Judge 24 25 26 27 28