

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Andres Saldaña-Gonzalez et al. v. Kia America, Inc. et al.

Saldaña-Gonzalez v. Kia America · No. 8:25-cv-02823-DOC-ADS · Decided January 26, 2026

SUMMARY

The United States District Court for the Central District of California remanded this wrongful-death and product-liability action to the Superior Court of California, County of Orange. The court held that Kia had not established by a preponderance of the evidence that the amount in controversy exceeded \$75,000, because the removal notice relied on speculative assertions and the complaint alleged no specific damages amount. The court therefore declined to address the snap-removal issue and remanded the case sua sponte.

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	January 26, 2026
DOCKET	8:25-cv-02823-DOC-ADS
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendant removed a California wrongful-death and product-liability action to federal court based on diversity jurisdiction. Plaintiffs moved to remand, and the district court remanded the action sua sponte because the removing defendant failed to establish the amount-in-controversy requirement.
STANDARD OF REVIEW	The removing defendant bears the burden of establishing federal subject-matter jurisdiction. When the amount in controversy is unclear or not affirmatively alleged above \$75,000, the defendant must show by a preponderance of the evidence that the jurisdictional minimum is satisfied. The district court may raise subject-matter jurisdiction sua sponte.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

subject matter jurisdiction

civil procedure

wrongful death

strict liability

federalism

PRACTICE AREAS

Civil procedure

Product liability

Wrongful death

Federal jurisdiction

QUESTIONS PRESENTED

1. Whether the removing defendant established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 for purposes of diversity jurisdiction.
2. Whether the court should reach the issue of snap removal after determining that the amount-in-controversy requirement was not satisfied.
3. Whether speculative civil penalties or attorney fees could be included in the amount in controversy without factual support.

HOLDINGS

1. The removing defendant failed to establish by a preponderance of the evidence that more than \$75,000 was in controversy because its assertion concerning the nature and extent of the injuries was speculative and unsupported by underlying facts.
2. The case had to be remanded to the Superior Court of California, County of Orange because the court lacked diversity jurisdiction.
3. The court would not include speculative civil penalties or attorney fees in the amount in controversy absent a factual basis supporting those awards.

KEY QUOTATIONS

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

“may not meet [its] burden by simply reciting some ‘magical incantation’ to the effect that ‘the matter in controversy exceeds the sum of [\$75,000],’ but instead, must set forth in the removal petition the underlying facts supporting its assertion that the amount in controversy exceeds [\$75,000].” (3)

“Because the amount in controversy requirement is not met, the Court declines to examine the snap removal question.” (4)

FACTUAL BACKGROUND

The decedent was operating a motorcycle when he was struck by a driver of a stolen 2018 Kia Forte and suffered fatal injuries. The surviving parents alleged that the Kia was unreasonably dangerous because of design and manufacturing defects, including the absence of an engine immobilizer, and asserted strict-liability, negligence, failure-to-warn, and survival claims. The complaint did not state a numerical amount of damages.

PROCEDURAL HISTORY

Plaintiffs filed the action in the Superior Court of California, County of Orange, on November 26, 2025. Kia removed the action to the Central District of California on December 22, 2025, asserting diversity jurisdiction. Plaintiffs moved to remand on January 21, 2026, Kia objected on January 23, 2026, and the district court remanded the case to state court.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case was remanded to the Superior Court of Orange County, California. 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., Inc., 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)
- 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)
- Galt G/S v. JSS Scandinavia, 142 F.3d 1150, 1156 (9th Cir. 1998)

OPINION

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA CIVIL MINUTES – GENERAL Case No. 8:25-cv-02823-DOC-ADS Date: January 26, 2026 Title: Andres Saldaña-Gonzalez et al v. Kia America, Inc. et al. PRESENT: THE HONORABLE DAVID O. CARTER, JUDGE Karlen Dubon Not Present Courtroom Clerk Court Reporter ATTORNEYS PRESENT FOR ATTORNEYS PRESENT FOR PLAINTIFF: DEFENDANT: None Present None Present PROCEEDINGS (IN CHAMBERS): ORDER REMANDING CASE TO STATE COURT

SUA SPONTE On the Court's own motion, the Court hereby REMANDS this case to the Superior Court of California, County of Orange.

I. Background This is a wrongful death action. Plaintiffs Andrew Saldaña-Gonzalez and Maria Olimpia Saldaña ("Plaintiffs") are the surviving parents of Andres Saldaña-Sorto, now deceased ("Deceased"). The Deceased was operating his motorcycle through an intersection when he was struck by a driver of a stolen 2018 Kia Forte ("Subject Vehicle") and sustained fatal injuries.

Plaintiffs allege that the subject vehicle was unreasonably dangerous by virtue of its design and manufacturing defects. The subject vehicle lacked an engine immobilizer, which is an anti-theft device that prevents cars from starting without the correct key. See generally Complaint ("Compl.") (Dkt. 1-1). Plaintiffs assert claims for strict liability—design and manufacturing defects; negligent failure to warn or instruct, negligent design and manufacture, and negligence (post sale), as well as a survival action against Defendant Kia America, Inc. et al ("Defendant"), and Does 1-100.

Id. Plaintiffs originally filed suit in the Superior Court of California, County of Orange on November 26, 2025. Defendant filed its Notice of Removal to this Court on CIVIL MINUTES – GENERAL Case No. 8:25-cv-02823-DOC-ADS Date: January 27, 2026 Page 2 the basis of diversity jurisdiction on December 22, 2025. See generally Notice of Removal ("Not.") (Dkt. 1).

Plaintiffs filed a Motion to Remand ("Mot.") (Dkt. 10) on January 21, 2026. Defendant filed an Objection to Plaintiff's Motion To Remand ("Objection") (Dkt. 11) on January 23, 2026. II. Legal Standard "If at any time before final judgment it appears that the district court lacks subject matter jurisdiction, the case shall be remanded." 28 U.S.C. § 1447(c). Removal of a case from state court to federal court is governed by 28 U.S.C. § 1441, which provides in relevant part that "any civil action brought in a State court of which the district courts of the United States have original jurisdiction, may be removed... to the district court of the United States for the district and division embracing the place where such action is pending." 28 U.S.C. § 1441.

This statute "is strictly construed against removal jurisdiction," and the party seeking removal "bears the burden of establishing federal jurisdiction." *Ethridge v. Harbor House Rest.*, 861 F.2d 1389, 1393 (9th Cir. 1988) (emphasis added) (citations omitted). Federal diversity jurisdiction requires that the parties be citizens of different states and that the amount in controversy exceed \$75,000.

28 U.S.C. § 1332(a). For diversity jurisdiction purposes, a corporation is "deemed to be a citizen of every State and foreign state by which it has been incorporated and of the State or foreign state where it has its principal place of business." 28 U.S.C. § 1332(c)(1).

The presence of any single plaintiff from the same state as any single defendant destroys "complete diversity" and strips the federal courts of original jurisdiction over the matter. *Exxon*

Mobil Corp. v. Allapattah Servs., Inc., 545 U.S. 546, 553 (2005). Generally, a removing defendant must prove by a preponderance of the evidence that the amount in controversy satisfies the jurisdictional threshold.

Guglielmino v. McKee Foods Corp., 506 F.3d 696, 699 (9th Cir. 2008). If the complaint affirmatively alleges an amount in controversy greater than \$75,000, the jurisdictional requirement is “presumptively satisfied.” *Id.* In that situation, a plaintiff who then tries to defeat removal must prove to a “legal certainty” that a recovery of more than \$75,000 is impossible.

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). This framework applies equally to situations where the complaint leaves the amount in controversy unclear or ambiguous. See *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). CIVIL MINUTES – GENERAL Case No. 8:25-cv-02823-DOC-ADS Date: January 27, 2026 Page 3 A removing defendant “may not meet [its] burden by simply reciting some ‘magical incantation’ to the effect that ‘the matter in controversy exceeds the sum of [\$75,000],’ but instead, must set forth in the removal petition the underlying facts supporting its assertion that the amount in controversy exceeds [\$75,000].” *Richmond v. Allstate Ins.*

Co., 897 F. Supp. 447, 450 (S.D. Cal. 1995) (quoting *Gaus*, 980 F.2d at 567). If the plaintiff has not clearly or unambiguously alleged \$75,000 in its complaint or has affirmatively alleged an amount less than \$75,000 in its complaint, the burden lies with the defendant to show by a preponderance of the evidence that the jurisdictional minimum is satisfied. *Geographic Expeditions, Inc. v. Estate of Lhotka ex rel.*

Lhotka, 599 F.3d 1102, 1106-07 (9th Cir. 2010); *Guglielmino*, 506 F.3d at 699. While the defendant must “set forth the underlying facts supporting its assertion that the amount in controversy exceeds the statutory minimum,” the standard is not so taxing so as to require the defendant to “research, state, and prove the plaintiff’s claims for damages.” *Coleman v. Estes Express Lines, Inc.*, 730 F. Supp. 2d 1141, 1148 (C.D.

Cal. 2010) (emphases added). In short, the defendant must show that it is “more likely than not” that the amount in controversy exceeds the statutory minimum. *Id.* Summary judgment-type evidence may be used to substantiate this showing. *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). For example, defendants may make mathematical calculations using reasonable averages of hourly, monthly, and annual incomes of comparable employees when assessing the amount in controversy in a wrongful termination suit. *Coleman*, 730 F. Supp. 2d. at 1148–49. If the court

lacks subject matter jurisdiction, any action it takes is ultra vires and void. See *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).

The lack of subject matter jurisdiction may be raised at any time by either the parties or the court. Fed. R. Civ. P. 12(h)(3). If subject matter jurisdiction is found to be lacking, the court must dismiss the action, *id.*, or remand pursuant to 28 U.S.C. § 1447(c). A court may raise the question of subject matter jurisdiction *sua sponte*. See *Snell v. Cleveland, Inc.*, 316 F.3d 822, 826 (9th Cir.

2002). III. Discussion Defendant argues that this Court has diversity jurisdiction in this action. Not. ¶ 4. The Court disagrees. Defendant has not met its burden to show that the amount in controversy requirement is satisfied. Defendant states that “Given the nature and extent of Plaintiffs CIVIL MINUTES – GENERAL Case No. 8:25-cv-02823-DOC-ADS Date: January 27, 2026 Page 4 (and decedent’s) alleged injuries and damages, the Complaint places at issue more than \$75,000 exclusive of interest and costs...” *Id.* ¶ 14.

However, this contention is not supported by underlying facts in the Notice of Removal, and Plaintiff has not alleged any numerical amount of damages in their Complaint. See generally Not.; Compl. Defendant’s only support for the amount in controversy is a speculative assertion that the amount in controversy exceeds \$75,000. Not. ¶ 14.

The damages sought are speculative without a basis in any facts. Without further evidence or support for these damages, Defendant has not shown that the jurisdictional threshold is met. While Plaintiffs might have suffered injuries warranting an amount exceeding \$75,000, the record before the Court today does not support that.

The Court therefore lacks diversity jurisdiction. Because the amount in controversy requirement is not met, the Court declines to examine the snap removal question. Further, the Court will not include speculative civil penalties or attorneys’ fees to meet the amount in controversy requirement. See *Galt G/S v. JSS Scandinavia*, 142 F.3d 1150, 1156 (9th Cir. 1998) (“We hold that where an underlying statute authorizes an award of attorneys’ fees, either with mandatory or discretionary language, such fees may be included in the amount in controversy.”) (emphasis added).

Because Defendant has not satisfied their burden to show that more than \$75,000 is at issue in this case, the Court lacks diversity jurisdiction. The Court’s decision not to include speculative awards in the amount in controversy is reinforced by the fact that Congress has not raised the amount in controversy since 1996—nearly three decades ago.¹ See The Federal Courts Improvement Act of 1996, 110 Stat. 3850.

Since then, the inflation rate is nearly 100% (i.e., prices have almost doubled). Thus, adjusted for inflation, the amount in controversy should be around \$150,000. Stated conversely, a case worth

\$75,000 in 1996 is worth only \$37,500 in today's dollars.

Because inflation has plainly decreased the “real” value of the amount in controversy, more and more cases are able to meet the jurisdictional threshold and can be brought in federal court. As federal diversity jurisdiction expands, state court jurisdiction to decide purely state law issues and develop state law correspondingly decreases.

Thus, the federal jurisdictional creep is incompatible with the most basic principles of federalism. 1 For reference, in 1996, the minimum wage was \$4.75 per hour, and only 16% of Americans had cell phones. Indeed, the current amount-in-controversy is older than both of my law clerks. CIVIL MINUTES – GENERAL Case No. 8:25-cv-02823-DOC-ADS Date: January 27, 2026 Page 5 Federalism is not the only loser in Congress's failure to increase the amount in controversy.

When a case is improperly removed, as happened here, ultimate resolution is delayed. Moreover, if a court does not immediately remand a case sua sponte, a plaintiff may move to remand. Because cases subject to motion to remand are typically small dollar cases, this increased motion work can quickly cause attorneys' fees to outrun any potential recovery and places an immense burden on a plaintiff's lawyer working on contingency.

In this respect, the current low jurisdictional threshold reduces access to justice. Therefore, the Court respectfully encourages Congress to reconsider the amount in controversy minimum. IV. Disposition For the reasons set forth above, the Court hereby REMANDS this case to the Superior Court of Orange County.

The Clerk shall serve this minute order on the parties. MINUTES FORM 11 Initials of Deputy Clerk: kdu CIVIL-GEN