

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Omar Cruz v. ITS Technologies & Logistics, LLC

Cruz · No. 5:25-cv-01566-FLA (KSx) · Decided July 10, 2025

SUMMARY

The United States District Court for the Central District of California issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction. The court questioned whether the removing defendant had established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 and ordered written responses 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	July 10, 2025
DOCKET	5:25-cv-01566-FLA (KSx)
DISPOSITION	other
PROCEDURAL POSTURE	Following removal of an employment-discrimination action to federal court, the district court issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	The removing party bears the burden of establishing federal subject matter jurisdiction by a preponderance of the evidence when jurisdictional allegations are contested or questioned; doubts concerning removal are resolved against federal jurisdiction. The court must examine subject matter jurisdiction sua sponte.
PRECEDENTIAL VALUE	unpublished district court order

TOPICS

- subject matter jurisdiction
- civil procedure
- federalism

PRACTICE AREAS

- civil procedure
- employment discrimination
- federal jurisdiction

QUESTIONS PRESENTED

1. Whether the Notice of Removal adequately established subject matter jurisdiction under 28 U.S.C. § 1332(a), particularly whether the amount in controversy exceeded \$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. A removing defendant must establish by a preponderance of the evidence that the amount in controversy exceeds \$75,000 when the court questions the jurisdictional allegations; the Notice of Removal did not presently satisfy that burden.
2. The district court may sua sponte require the parties to address subject matter jurisdiction and may remand if the removing defendant fails to establish jurisdiction.

KEY QUOTATIONS

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

“As Defendant is the party asserting federal jurisdiction, Defendant’s failure to respond timely and adequately to this Order shall result in remand of the action without further notice.” (2)

FACTUAL BACKGROUND

The action concerns an employment-discrimination dispute that was removed to federal court. The court reviewed the Notice of Removal and found that it did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded the \$75,000 threshold for diversity jurisdiction. The court therefore required the parties to show cause and submit evidence addressing the facial and factual sufficiency of the jurisdictional showing.

PROCEDURAL HISTORY

Plaintiff Omar Cruz's action was removed to the Central District of California. After reviewing the Notice of Removal, the court was unable to determine 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 at stake. The court ordered the parties, particularly the removing defendant, to submit written responses and supporting evidence within fourteen days.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties were ordered to show cause in writing, within fourteen days of the July 10, 2025 order, 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. The defendant's failure to respond timely and adequately would 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)

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