

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
LOUISIANA

Mark Barrios and Judy Barrios v. State Farm Fire and Casualty
Company

Barrios · No. 26-00411 · Decided May 7, 2026

SUMMARY

The United States District Court for the Eastern District of Louisiana granted Mark and Judy Barrios’s motion to remand their insurance dispute against State Farm Fire and Casualty Company. The court held that State Farm did not establish by a preponderance of the evidence that the amount in controversy exceeded \$75,000 at the time of removal, despite complete diversity of citizenship.

CASE DETAILS

COURT	United States District Court for the Eastern District of Louisiana
WRITING FOR THE COURT	Anna St. John
JURISDICTION	United States District Court for the Eastern District of Louisiana
DECIDED	May 7, 2026
DOCKET	26-00411
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiffs moved under 28 U.S.C. § 1447(c) to remand an insurance action removed by State Farm from Louisiana state court based on diversity jurisdiction.
STANDARD OF REVIEW	The removing party bears the burden of establishing federal subject-matter jurisdiction by a preponderance of the evidence. Removal statutes are strictly construed, with doubts resolved in favor of remand. The amount in controversy is determined from the jurisdictional facts existing at the time of removal.
PRECEDENTIAL VALUE	unpublished district court opinion
PARTIES	State Farm Fire and Casualty Company v. Mark Barrios, Judy Barrios

TOPICS

- subject matter jurisdiction
- civil procedure
- insurance bad faith
- insurance
- damages

PRACTICE AREAS

civil procedure

insurance

insurance bad faith

remedies

QUESTIONS PRESENTED

1. Whether the amount in controversy was facially apparent from the state-court petition to exceed the \$75,000 threshold for diversity jurisdiction.
2. Whether State Farm established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 at the time of removal.
3. Whether the Barrios' settlement demand and stipulations supported remand by demonstrating that the amount in controversy was below the jurisdictional threshold.

HOLDINGS

1. The amount in controversy was not facially apparent from the Barrios' petition because the petition alleged only general categories of property, consequential, statutory, and fee-related damages without specifying the extent or value of the claimed loss.
2. State Farm failed to prove by a preponderance of the evidence that the amount in controversy exceeded \$75,000 when it removed the case.
3. Federal jurisdiction in a removed action must be determined from the jurisdictional facts existing at the time of removal.

KEY QUOTATIONS

“Because federal courts are courts of limited jurisdiction, the removal statute is strictly construed, and any doubts or ambiguities are resolved against removal and in favor of remand.” (II.A)

“The party seeking to maintain federal jurisdiction must “establish by a preponderance of the evidence that the amount in controversy exceeds \$75,000.”” (II.B)

“It is simply not credible for State Farm to contend that it was facially apparent from the Barrios’ petition that their damage exceeds \$75,000 when State Farm offered the Barrios less than \$900 for their claims, even after the Barrios had submitted the Irwin & Associates estimate.” (II.B)

FACTUAL BACKGROUND

Mark and Judy Barrios alleged that State Farm failed to properly adjust and timely pay their homeowners-insurance claim arising from wind and hail damage to their home. They asserted breach-of-contract and bad-faith claims and sought contractual damages, statutory penalties, attorney fees, costs, and related damages. State Farm's estimate valued covered damage at \$848.21, while one contractor estimated repairs at \$89,070.24; the Barrios later made a settlement demand totaling \$74,816.57 and stipulated that they would not seek, accept, or receive more than \$75,000.

PROCEDURAL HISTORY

The Barrios filed a damages petition in the Twenty-Second Judicial District Court for the Parish of St. Tammany, Louisiana. State Farm removed the action to the Eastern District of Louisiana under 28 U.S.C. §§ 1332, 1441, and 1446, asserting complete diversity and an amount in controversy exceeding \$75,000. The district court granted the Barrios' motion to remand because State Farm failed to establish by a preponderance of the evidence that the amount in controversy exceeded \$75,000 when the case was removed.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The action is remanded to the Twenty-Second Judicial District Court for the Parish of St. Tammany, Louisiana.

CASES CITED

- Durbois v. Deutsche Bank Nat'l Tr. Co., 37 F.4th 1053, 1057 (5th Cir. 2022)
- McPhail v. Deere & Co., 529 F.3d 947, 956 (10th Cir. 2008)
- Ziegler v. Champion Mortg. Co., 913 F.2d 228, 229 (5th Cir. 1990)
- Vantage Drilling Co. v. Su, 741 F.3d 535, 537 (5th Cir. 2014)
- Howery v. Allstate Ins. Co., 243 F.3d 912, 916 (5th Cir. 2001)
- Grant v. Chevron Phillips Chem. Co. L.P., 309 F.3d 864, 868 (5th Cir. 2002)
- Allen v. R & H Oil & Gas Co., 63 F.3d 1326, 1335 (5th Cir. 1995)
- Allstate Fire & Cas. Ins. Co. v. Love, 71 F.4th 348, 351-52 (5th Cir. 2023)
- GlobeRanger Corp. v. Software AG U.S. of Am., Inc., 836 F.3d 477, 488 (5th Cir. 2016)
- Pullman Co. v. Jenkins, 305 U.S. 534, 537 (1939)
- Young v. Popeyes La. Kitchen, Inc., 2024 U.S. Dist. LEXIS 170925, 2024 WL 4263173, at *2 (E.D. La. Sept. 23, 2024)
- Bryan v. Walmart Inc., 2023 U.S. Dist. LEXIS 229052, 2023 WL 8890341, at *3 (E.D. La. Dec. 26, 2023)
- Nunez v. Allstate Insurance Company, 2007 U.S. Dist. LEXIS 84118, 2007 WL 3407463, at *1 (E.D. La. Nov. 13, 2007)
- Addo v. Globe Life & Accident Ins. Co., 230 F.3d 759, 762 (5th Cir. 2000)
- Pollet v. Sears Roebuck & Co., 46 F. App'x 226, 2002 WL 1939917, at *1 n.5 (5th Cir. 2002)
- Woods v. Patrons Oxford Ins. Co., 2022 U.S. Dist. LEXIS 133126, 2022 WL 2965923, at *3 (E.D. La. July 27, 2022)
- Tellabs, Inc. v. Makor Issues & Rights, Ltd., 551 U.S. 308, 329 (2007)
- Grupo Dataflux v. Atlas Global Group, L.P., 541 U.S. 567, 570-71 (2004)
- Mollan v. Torrance, 9 Wheat. 537, 539 (1824)
- Gebbia v. Wal-Mart Stores, Inc., 233 F.3d 880, 883 (5th Cir. 2000)

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