

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
VIRGINIA, NORFOLK DIVISION

Willie D. Martin, Jr. v. Gill E. Williams, USAA Casualty Insurance
Co., State Farm Mutual Automobile Insurance Co., and Great
American Insurance Company

Civil Action No. 2:25-cv-701 (E.D. Va. 2026) · No. 2:25-cv-701 · Decided March 20, 2026

SUMMARY

The United States District Court for the Eastern District of Virginia grants the plaintiff’s motion to amend and Great American Insurance Company’s motion to realign parties, while denying the plaintiff’s motion to remand. The court realigns Williams, USAA, State Farm, and Mr. G Trucking as co-plaintiffs because they share an interest in obtaining a declaration that Great American’s policy provides coverage for the underlying automobile-accident liability. The court concludes that complete diversity remains and that federal subject-matter jurisdiction is proper.

CASE DETAILS

COURT	United States District Court for the Eastern District of Virginia, Norfolk Division
JURISDICTION	United States District Court for the Eastern District of Virginia, Norfolk Division
DECIDED	March 20, 2026
DOCKET	2:25-cv-701
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff filed a state-court automobile-accident and insurance-coverage action. Great American removed the declaratory-judgment action to federal court under the diversity statutes. The district court granted leave to amend, realigned several parties, and denied remand.
STANDARD OF REVIEW	The court applied the permissive amendment standard under Federal Rule of Civil Procedure 15(a)(2), under which leave should be freely given when justice so requires. It assessed subject matter jurisdiction and party alignment under the federal diversity-jurisdiction and removal statutes.
PRECEDENTIAL VALUE	unknown

PARTIES

Willie D. Martin, Jr. v. Gill E. Williams, USAA Casualty Insurance Co., State Farm Mutual Automobile Insurance Co., Great American Insurance Company

TOPICS

subject matter jurisdiction

motion to amend

declaratory relief insurance

insurance coverage

civil procedure

PRACTICE AREAS

civil procedure

insurance

federal jurisdiction

QUESTIONS PRESENTED

1. Whether Martin should be granted leave under Federal Rule of Civil Procedure 15(a)(2) to amend the complaint and join Mr. G Trucking, LLC.
2. Whether Williams, USAA, and State Farm should be realigned as plaintiffs based on their common interest in obtaining a declaration that Great American's policy covers liability arising from the accident.
3. Whether Mr. G Trucking, LLC should also be realigned as a plaintiff rather than joined as a defendant.
4. Whether the amended and realigned party configuration preserved complete diversity jurisdiction and required remand to state court.

HOLDINGS

1. Leave to amend was appropriate because joining Mr. G Trucking, LLC was not futile, prejudicial, or undertaken in bad faith, and the amendment would not unduly complicate the litigation.
2. Williams, USAA, and State Farm were properly realigned as plaintiffs because they shared Martin's primary interest in obtaining a declaration that Great American's policy covered potential liability arising from the accident.
3. Mr. G Trucking, LLC was properly realigned as a plaintiff because it shared the other aligned parties' interest in obtaining a declaration concerning Great American's coverage obligation.
4. Remand was unwarranted because, after realignment, complete diversity existed between the parties.

KEY QUOTATIONS

"Federal courts are courts of limited jurisdiction and may not exercise jurisdiction absent a statutory basis."

"A court is to presume, therefore, that a case lies outside its limited jurisdiction unless and until jurisdiction has been shown to be proper."

"The primary issue in this controversy is determining and assigning liability for the accident alleged in the Underlying Action."

"This realignment provides the Court with diversity jurisdiction to address the case."

FACTUAL BACKGROUND

Martin was involved in a February 2, 2024 automobile accident involving a vehicle operated by Gill E. Williams. Martin sued Williams for damages in Virginia state court and pursued insurance coverage from USAA, State Farm, and Great American. Great American had issued a policy to Mr. G Trucking, LLC, which Williams owned, and Martin alleged that the policy covered Williams's liability. The related underlying action remained stayed in state court while the declaratory coverage action proceeded in federal court.

PROCEDURAL HISTORY

Martin filed an underlying damages action in the Circuit Court of the City of Norfolk arising from a February 2, 2024 automobile accident and separately brought a declaratory action concerning insurance coverage. Great American removed the declaratory action under 28 U.S.C. §§ 1332, 1441, and 1446. Martin moved to amend to join Mr. G Trucking, moved to remand based on the anticipated loss of diversity, and Great American moved to realign or disregard certain parties for jurisdictional purposes. The district court granted the motion to amend, granted in part the motion to realign or disregard, realigned Williams, USAA, State Farm, and Mr. G Trucking as plaintiffs, and denied remand.

DISPOSITION

other

CASES CITED

- Exxon Mobil Corp. v. Allapattah Servs., Inc., 545 U.S. 546, 552 (2005)
- United States v. Poole, 531 F.3d 263, 274 (4th Cir. 2008)
- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- Treacy v. Newdunn Assocs., L.L.P., 344 F.3d 407, 410-11 (4th Cir. 2003)
- Franchise Tax Bd. of Cal. v. Construction Laborers Vacation Trust for S. Cal., 436 U.S. 1, 13 (1983)
- Mulcahey v. Columbia Organic Chems. Co., 29 F.3d 148, 151 (4th Cir. 1994)
- Marshall v. Manville Sales Corp., 6 F.3d 229, 232 (4th Cir. 1993)
- Hogge v. Stephens, No. 3:09CV582, 2010 WL 3834856, at *8 (E.D. Va. Sept. 24, 2010), aff'd, 469 F. App'x 160 (4th Cir. 2012)
- Williams v. Wilkerson, 90 F.R.D. 168, 10 (E.D. Va. 1981)
- Correa v. Caliber Bodyworks of Virginia, LLC, No. 3:23-CV-00578 (MRC), 2024 WL 37207 (E.D. Va. Jan. 3, 2024)
- United States Fid. & Guar. Co. v. A & S Mfg. Co., 48 F.3d 131, 133 (4th Cir. 1995)
- Hildebrand v. Lewis, 281 F. Supp. 2d 837, 844 (E.D. Va. 2003)
- Builders Mut. Ins. Co. v. Dragas Mgmt. Corp., 497 F. App'x 313, 316 (4th Cir. 2012)
- City of Indianapolis v. Chase Nat. Bank of City of New York, 314 U.S. 63, 69 (1941)

