

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Hernandez v. Tesla, Inc.

No. 1:25-cv-00522-JLT-SAB (E.D. Cal. July 16, 2025) · No. 1:25-cv-00522-JLT-SAB · Decided July 17, 2025

SUMMARY

The document contains findings and recommendations recommending denial of Joshua E. Hernandez’s motion to remand his California lemon law action against Tesla, Inc. The court concluded that the Magnuson-Moss Warranty Act’s jurisdictional threshold was satisfied and that the state-law claims shared a common nucleus of operative fact with the federal claim, supporting supplemental jurisdiction.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Stanley A. Boone
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	July 17, 2025
DOCKET	1:25-cv-00522-JLT-SAB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to remand a removed California lemon-law action to California Superior Court, or alternatively requested that the federal court decline supplemental jurisdiction over his state-law claims. The magistrate judge issued findings and recommendations recommending denial of the motion, subject to review by the assigned district judge.
STANDARD OF REVIEW	The assigned district judge will review the findings and recommendations under 28 U.S.C. § 636(b)(1)(C).
PRECEDENTIAL VALUE	nonprecedential
PARTIES	Joshua E. Hernandez v. Tesla, Inc.

TOPICS

- subject matter jurisdiction
- civil procedure
- consumer protection
- remedies

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether Tesla established the \$50,000 jurisdictional threshold required for federal jurisdiction over Hernandez's Magnuson-Moss Warranty Act claim.
2. Whether the court should decline supplemental jurisdiction over Hernandez's state-law claims because they substantially predominated over the federal claim or because exceptional circumstances and considerations of comity and federalism warranted declining jurisdiction.

HOLDINGS

1. Tesla met its burden to establish the \$50,000 jurisdictional threshold for Hernandez's Magnuson-Moss Warranty Act claim, including because Hernandez sought rescission as a remedy; remand was therefore unwarranted on that ground.
2. The federal Magnuson-Moss claim and the state-law claims shared a common nucleus of operative fact because all arose from the sale of the alleged lemon vehicle and the alleged breach of its warranties.
3. The court should not decline supplemental jurisdiction because the state-law claims did not substantially predominate over the federal claim and the ordinary lemon-law case presented no exceptional circumstances or compelling reasons based on comity, federalism, economy, convenience, or fairness.

KEY QUOTATIONS

“From the outset, the Court finds that Plaintiff’s federal and state-law claims share a common nucleus of operative fact: all of Plaintiff’s claims arise from the sale of an alleged lemon vehicle and the purported breach of warranties thereof.” (at 5)

“Moreover, as this is a run-of-the-mill lemon law case, Plaintiff has not articulated that there are exceptional circumstances here.” (at 5)

FACTUAL BACKGROUND

Hernandez purchased a vehicle from Tesla under a written warranty covering, among other things, the vehicle's basic, drivetrain/powertrain, and California emissions warranties. He alleged that the vehicle had recurring defects, that Tesla and its authorized repair facilities failed to repair them after at least four repair visits, and that he later learned the defects could not be repaired to conform to the warranties. His complaint asserted a Magnuson-Moss Warranty Act claim along with California lemon-law, warranty, consumer-protection, and unfair-competition claims, seeking rescission, restitution, damages, penalties, and equitable relief.

PROCEDURAL HISTORY

Plaintiff filed the action in California Superior Court, Fresno County. Tesla removed the case on May 5, 2025, asserting federal-question jurisdiction based on Plaintiff's Magnuson-Moss Warranty Act claim. Plaintiff moved to remand, arguing that the \$50,000 jurisdictional threshold was not established, and alternatively sought dismissal or remand of the state-law claims under 28 U.S.C. § 1367. After Tesla submitted an opposition and supporting evidence, the court held a hearing on July 9, 2025, and recommended that the motion be denied.

DISPOSITION

other

REMAND INSTRUCTIONS

The findings and recommendations were submitted to the assigned district judge for review. Any objections were due within fourteen days of service, and the district judge would review the recommendations under 28 U.S.C. § 636(b)(1)(C).

CASES CITED

- Royal Canin U.S.A., Inc. v. Wulfschleger, 604 U.S. 22, 27 (2025)
- Mine Workers v. Gibbs, 383 U.S. 715, 725-27 (1966)
- Arroyo v. Rosas, 19 F.4th 1202, 1210 (9th Cir. 2021)
- Samarneh v. Mercedes-Benz USA, LLC, 2025 WL 1727034 (E.D. Cal. June 20, 2025)
- Olguin v. FCA US LLC, 2024 WL 4012103 (E.D. Cal. Aug. 30, 2024)
- Cruz v. Ford Motor Company, 2024 WL 3697549 (E.D. Cal. Aug. 7, 2024)
- Cruz v. Ford Motor Company, 2024 WL 4216751 (E.D. Cal. Sept. 17, 2024)
- Wilkerson v. Wheeler, 772 F.3d 834, 839 (9th Cir. 2014)
- Baxter v. Sullivan, 923 F.2d 1391, 1394 (9th Cir. 1991)