

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Michael Tighe v. Ferrellgas Partners, L.P.

Tighe · No. 5:24-cv-02643-SSS-DTBx · Decided August 19, 2025

SUMMARY

The United States District Court for the Central District of California grants Plaintiff Michael Tighe’s motion to remand a PAGA employment action to California state court. The court concludes that the amount in controversy does not exceed \$75,000 because only Tighe’s share of PAGA penalties and attributable attorneys’ fees may be counted. The court denies the motion to compel arbitration without prejudice, discharges the order to show cause, vacates the hearing, and directs the Clerk to close the case.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Sunshine S. Sykes
JURISDICTION	United States District Court for the Central District of California
DECIDED	August 19, 2025
DOCKET	5:24-cv-02643-SSS-DTBx
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand a California Private Attorneys General Act action removed by defendants on the asserted basis of diversity jurisdiction. Defendants opposed remand and moved to compel arbitration.
STANDARD OF REVIEW	The removing defendants bore the burden of showing by a preponderance of the evidence that federal jurisdiction and the requirements for removal were satisfied. Any doubt as to the right of removal required remand.
PRECEDENTIAL VALUE	unpublished, nonprecedential district court order

TOPICS

- subject matter jurisdiction
- civil procedure
- attorney fees
- employment law
- arbitration

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the California Labor and Workforce Development Agency's 75% share of PAGA civil penalties may be aggregated with the employee's share to satisfy the amount-in-controversy requirement for diversity jurisdiction.
2. Whether defendants adequately established the amount of attorneys' fees attributable to Tighe's individual PAGA claims for purposes of the amount in controversy.
3. Whether the amount in controversy exceeded \$75,000 so that removal based on diversity jurisdiction was proper.
4. Whether the pending motion to compel arbitration should be decided by the federal court after remand.

HOLDINGS

1. The LWDA's portion of PAGA civil penalties may not be aggregated with the employee's portion when determining the amount in controversy in a PAGA removal action.
2. In a PAGA removal action, only the portion of attorneys' fees attributable to the individual plaintiff's claims may be included in the amount in controversy; defendants' speculative calculation based on anticipated hours was insufficient.
3. Defendants failed to establish that the amount in controversy exceeded \$75,000, so the district court lacked diversity jurisdiction and was required to remand the action.
4. The motion to compel arbitration was denied without prejudice because the case was being remanded and the motion could be refiled in state court.

KEY QUOTATIONS

"If there is any doubt as to the right to removal, a court must remand the action to state court." (at 2)

"Accordingly, this Court joins the majority of other courts in declining to consider LWDA's portion of penalties toward the amount in controversy in PAGA removal actions." (at 3)

"In all, Defendants have at most demonstrated the amount in controversy is \$27,437.50, or less than the jurisdictional amount." (at 4)

FACTUAL BACKGROUND

Tighe brought an employment-related PAGA action alleging California Labor Code violations. Defendants estimated civil penalties of at least \$87,800 and attorneys' fees of \$111,375, and relied on those amounts to support removal based on diversity jurisdiction. The court concluded that only Tighe's individual share of PAGA penalties and fees attributable to his claims could be counted, producing a maximum amount in controversy of \$27,437.50.

PROCEDURAL HISTORY

Tighe filed a PAGA complaint in California superior court on October 25, 2024. Defendants removed the action to the Central District of California on December 13, 2024, asserting that the amount in controversy exceeded \$75,000 and that the parties were diverse. The district court granted Tighe's motion to remand, denied the motion to compel arbitration without prejudice, discharged its order to show cause regarding consolidation, vacated the scheduled hearing, and directed the clerk to close the case.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The action is remanded to the Superior Court of the State of California for the County of Riverside. The motion to compel arbitration is denied without prejudice and may be refiled in state court. The clerk is directed to close the federal case.

CASES CITED

- Kokkonen v. Guardian Life Insurance Co. of America, 511 U.S. 375, 377 (1994)
- Ayala v. American Airlines, Inc., 2023 WL 6534199, at *1 (C.D. Cal. Oct. 6, 2023)
- Richardson v. United States, 943 F.2d 1107, 1112 (9th Cir. 1991)
- Jimenez v. General Motors, LLC, 2023 WL 6795274, at *2 (C.D. Cal. Oct. 13, 2023)
- Dart Cherokee Basin Operating Co., LLC v. Owens, 574 U.S. 81, 82 (2014)
- Emrich v. Touche Ross & Co., 846 F.2d 1190, 1195 (9th Cir. 1988)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Matheson v. Progressive Specialty Insurance Co., 319 F.3d 1089, 1090 (9th Cir. 2003)
- Viking River Cruises, Inc. v. Moriana, 596 U.S. 639, 644 (2022)
- Steenhuyse v. UBS Financial Services, Inc., 317 F. Supp. 3d 1062, 1068-69 (N.D. Cal. 2018)
- Hesselink v. American Family Life Assurance Co. of Columbus, 2020 WL 7768711, at *3 (C.D. Cal. Dec. 30, 2020)
- Urbino v. Orkin Services of California, Inc., 726 F.3d 1118, 1122-23 (9th Cir. 2013)
- Lopez v. Ace Cash Express, Inc., 2015 WL 1383535, at *5 (C.D. Cal. Mar. 24, 2015)
- Patel v. Nike Retail Services, Inc., 58 F. Supp. 3d 1032 (N.D. Cal. 2014)
- Harp v. California Cemetery & Funeral Services, LLC, 2022 WL 1658716, at *3 (E.D. Cal. May 25, 2022)
- Canela v. Costco Wholesale Corp., 971 F.3d 845, 850 (9th Cir. 2020)
- Evers v. La-Z-Boy Inc., 2022 WL 4379311, at *3 (S.D. Cal. Sept. 22, 2022)
- Martin v. Franklin Capital Corp., 546 U.S. 132, 141 (2005)