

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Sherry A. Chamberlain v. General Motors LLC

Chamberlain v. General Motors LLC · No. 2:25-cv-07205-ODW (BFMx) · Decided October 27, 2025

SUMMARY

The United States District Court for the Central District of California remanded this Song-Beverly Warranty Act action to California state court because General Motors failed to establish that the amount in controversy exceeded \$75,000 for diversity jurisdiction. The court found that the proposed civil penalties and attorneys' fees were too speculative to include in the jurisdictional calculation, leaving only \$23,883.54 in controversy. Plaintiff's motion to remand was denied as moot, all dates were vacated, and the federal case was closed.

OPINION

Sherry A. Chamberlain v. General Motors LLC et al.

PER CURIAM.

UNITED STATES DISTRICT COURT ☐☐

CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES — GENERAL

Case No. 2:25-cv-07205-ODW (BFMx) Date October 27, 2025 Title Sherry A. Chamberlain v. General Motors LLC et al. Present: The Honorable Otis D. Wright, I, United States District Judge Sheila English Not reported N/A Deputy Clerk Court Reporter / Recorder Tape No. Attorneys Present for Plaintiffs: Attorneys Present for Defendants: Not present Not present Proceedings: In Chambers On March 27, 2025, Plaintiff Sherry A. Chamberlain initiated this action against Defendant General Motors LLC in state court. (Decl. Sarah Garbuzov ("Garbuzov Decl.") ISO Removal Ex. | ("Complaint"), Dkt. No. 1-1.) The Complaint alleges breach of express and implied and violations of the Song-Beverly Warranty Act. (/d. § 8-44.) Plaintiff seeks rescission of the purchase contract; restitution; attorneys' fees and costs; civil penalties; and general, special, and incidental damages. (/d., Prayer for Relief.) On August 5, 2025, Defendant removed the action to this Court based on diversity jurisdiction. (Notice Removal ("NOR"), Dkt. 1.) On August 29, 2025, Plaintiff filed a Motion to Remand based on Defendant's untimely removal. (Mot. Remand, Dkt. No. 15.) On October 16, 2025, the Court ordered the parties to show cause why this action should not be remanded for lack of subject matter jurisdiction. (Order, Dkt. No. 20.) On October 23, 2025, Defendant filed a Response. (Resp., Dkt. No. 22.) Upon review of Defendant's Notice of Removal and Response to the Court's Order to Show Cause, the Court finds that Defendant fails to establish that the amount in controversy exceeds \$75,000 and accordingly REMANDS the

action. Federal courts are courts of limited jurisdiction, having subject-matter jurisdiction only Over matters authorized by the Constitution and Congress. U.S. Const. art. I, § 2, cl. 1; v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994). A suit filed in a state court may be removed to federal court if the federal court would have had original jurisdiction over the suit. 28 U.S.C. § 1441(a). Federal courts have original jurisdiction where an action presents a federal question under 28 U.S.C. § 1331, or diversity of citizenship under 28 U.S.C. § 1332. CV-90 (06/04) CIVIL MINUTES - GENERAL Page 1 of 4

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Case No. 2:25-cv-07205-ODW (BFMx) Date October 27, 2025 Title Sherry A. Chamberlain v. General Motors LLC et al. Accordingly, a defendant may remove a case from state court to federal court pursuant to the federal removal statute, 28 U.S.C. § 1441, on the basis of federal question or diversity Diversity jurisdiction requires complete diversity of citizenship among the adverse and an amount in controversy exceeding \$75,000, exclusive of interest and costs. 28 U.S.C. § 1332(a). Courts strictly construe the removal statute against removal jurisdiction, and “[f]ederal jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance.” Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992). The party seeking removal the burden of establishing federal jurisdiction. /d. Here, Defendant contends that Plaintiffs potential damages exceed \$75,000 because the Song-Beverly Act allows a plaintiff to recover actual damages, plus up to two times the compensatory damages in civil penalties. (NOR 4-6; Resp. 4-5, 8-9.) Defendant asserts that Plaintiff’s actual damages in controversy total at least \$23,883.54, including a mileage offset, additional offsets, and rebate deductions. (Resp. 4-5.) Defendant also contends that in light of Plaintiff’s actual damages “it is appropriate to consider civil penalties.” (Ud. at 8.) Defendant claims that “the 2.0-times maximum civil penalties [is] available as a matter of law,” which “brings the total damages to \$71,650.62.” (/d. at 9 (emphasis omitted); see Compl. ¶¶ 17, 24, 28.) Finally, Defendant contends that “[b]ased on [Defendant’s] prior experience in similar matters, a reasonable estimate of Plaintiff’s attorneys’ fees accumulated up to this point in litigation is \$5,000.” (NOR 5-6.) Defendant further adds that “this case is not likely to resolve and conservatively including fees from work up for even just 6 months post-removal, the amount in controversy more than exceeds the jurisdictional threshold.” (/d. at 6.) Lastly, Defendant contends that “based on [Defendant’s] counsel’s prior experience with fees sought by [REDACTED] ..., and based on Plaintiff’s recent demands, it is also reasonable to assume this case not promptly settle and it would be appropriate to include at least \$15,000 in future attorney fees in addition to past fees.” (Resp. 9.) First, Defendant’s inclusion of civil penalties to establish the amount in controversy is highly speculative and insufficient to meet its burden. “A plaintiff who establishes that a violation of the [Song-Beverly] Act was willful may recover a civil penalty of up to two times the amount of actual damages.” See Cal. Civ. Code § 1794(c). However, “[t]he civil penalty

under California Civil Code § 1794(c) cannot simply be assumed.” Castillo v. FCA USA, LLC, No. 19-cv-151- CAB-MDD, 2019 WL 6607006, at *2 (S.D. Cal. Dec. 5, 2019); Estrada v. FC US LLC, No. 2:20- cv-10453-PA (JPRx), 2021 WL 223249, at *3 (C.D. Cal. Jan. 21, 2021) (collecting cases and CV-90 (06/04) CIVIL MINUTES - GENERAL Page 2 of 4

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Case No. 2:25-cv-07205-ODW (BFMx) Date October 27, 2025 Title Sherry A. Chamberlain v. General Motors LLC et al. where defendant’s inclusion of civil penalties to establish the amount in controversy “too speculative and are not adequately supported by the facts and evidence”). Defendant fails to establish that the inclusion of civil penalties is appropriate. Next, Defendant fails in its burden with respect to attorneys’ fees. Defendant contends that a reasonable estimate of Plaintiff’s fees already accumulated in this action is \$5,000. (NOR 5- 6.) Defendant claims that based on Defendant’s counsel’s “assessment,” “this case is not likely to resolve and conservatively including fees from work up for even just 6 months post-removal, the amount in controversy more than exceeds the jurisdictional threshold.” (Ud. at 6.) Defendant cites several cases where plaintiffs requested higher amounts in attorneys’ fees and contends that estimated “past” and “future” attorneys’ fees are based on Defendant’s counsel’s “prior experience in similar matters,” counsel’s “prior experience with fees sought by □□□□□□□□□□ counsel,” as well as “Plaintiff’s recent demands.” (/d. at 5—6; Resp. 9.) Defendant contends that it is “reasonable to assume this case will not promptly settle and it would be appropriate to include future attorney fees in addition to past fees.” (Resp. 9.) The Court is not persuaded that the cases Defendant cites are sufficiently analogous to justify inclusion of the estimated attorneys’ fees in assessing the jurisdictional amount in controversy. See Kaplan v. BMW of N. Am., LLC, No. 21- cv-00857 TWR (AGS), 2021 WL 4352340, at *6 (S.D. Cal. Sept. 24, 2021) (“[Other] cases must similar enough to the case at hand that the court can conclude that it is more likely than not that the plaintiff may incur a similar fee award.”); D’Amico v. Ford Motor Co., No. 2:20-cv-2985- CJC (JCx), 2020 WL 2614610, at *4 (C.D. Cal. May 21, 2020) (“[M]any cases alleging violations of the [Song-Beverly] Act settle early.”). Thus, Defendant fails to establish that the inclusion of the estimated attorneys’ fees is appropriate. Defendant’s failure to establish that inclusion of civil penalties or attorneys’ fees is appropriate dooms federal subject matter jurisdiction in this case. See Gaus, 980 F.2d at 566 jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance.”). Absent civil penalties and attorneys’ fees, Defendant establishes an amount in controversy of only \$23,883.54. (Resp. 5.) This falls short of Defendant’s burden to establish the requisite jurisdictional amount in controversy of \$75,000. See 28U.S.C. § 1332(a). Accordingly, the Court REMANDS this case to the Superior Court of the State of California, County of Los Angeles, 111 N. Hill Street, Los Angeles, CA 90012, Case No. 25STCV09032. CV-90 (06/04) CIVIL MINUTES - GENERAL Page 3 of 4

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Case No. 2:25-cv-07205-ODW (BFMx) Date October 27, 2025 _Sherry A. Chamberlain v. General MotorsLL@ etal In light of this disposition, Plaintiff's Motion to Remand, (Dkt. No. 15), is DENIED AS MOOT. All dates are VACATED. The Clerk of the Court shall close this case. IT IS SO ORDERED. : 00 Initials of Preparer SE CV-90 (06/04) CIVIL MINUTES - GENERAL
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