

**UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA**

Matthew Michelson v. Mercedes-Benz USA, LLC, et al.

Michelson · No. 2:25-cv-03611-FLA (ASx) · Decided May 27, 2025

OPINION

Matthew Michelson v. Mercedes-Benz USA, LLC

PER CURIAM.

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8 UNITED STATES DISTRICT COURT

9 CENTRAL DISTRICT OF CALIFORNIA

10 11 MATTHEW MICHELSON, Case No. 2:25-cv-03611-FLA (ASx) 12 Plaintiff,

ORDER TO SHOW CAUSE WHY

13 v. ACTION SHOULD NOT BE

REMANDED FOR LACK OF

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SUBJECT MATTER JURISDICTION

MERCEDES-BENZ USA, LLC, et al., 15 Defendants. 16 17 18 19 20 21 22 23 24 25 26 27 28

1 ORDER

2 Federal courts are courts of “limited jurisdiction,” possessing “only that power 3 authorized by the Constitution and statute[.]” *Kokkonen v. Guardian Life Ins. Co.* of 4 Am., 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. District courts are 5 presumed to lack jurisdiction unless the contrary appears affirmatively from the 6 record. See *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006). 7 Additionally, federal courts have an obligation to examine jurisdiction sua sponte 8 before proceeding to the merits of a case. See *Ruhrgas AG v. Marathon Oil Co.*, 526 9 U.S. 574, 583 (1999). 10 Federal courts have jurisdiction where an action arises under federal law or 11 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the 12 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C. 13 §§ 1331, 1332(a). A complaint filed in federal court must contain “a plausible 14 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart 15 Cherokee Basin Operating Co. v. Owens*, 574 U.S. 81, 89 (2014). Where a party 16 contests, or the court questions, a party’s allegations concerning the amount in 17 controversy, both sides shall submit proof, and the court must decide whether the 18 party asserting jurisdiction has proven the amount in controversy by a preponderance 19 of the evidence. *Id.* at 88–89; see Fed. R. Civ. P. 12(h)(3) (“If the court determines at 20 any time that it lacks subject-matter jurisdiction, the court must dismiss the action.”). 21 “Federal jurisdiction must be rejected if there is any doubt as to the right of removal

in 22 the first instance.” Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992). 23 The court has reviewed the Notice of Removal and is presently unable to 24 conclude it has subject matter jurisdiction under 28 U.S.C. § 1332(a). In particular, 25 and without limitation, the court finds that the allegations in the Notice of Removal do 26 not demonstrate by a preponderance of the evidence that the amount in controversy 27 exceeds \$75,000. 28 / / / 1 The parties are ORDERED TO SHOW CAUSE, in writing only, within 2 || fourteen (14) days from the date of this Order, why this action should not be remanded 3 | for lack of subject matter jurisdiction because the amount in controversy does not 4 | exceed the jurisdictional threshold. The parties are encouraged to submit evidence 5 | and/or judicially noticeable facts in response to the court’s Order. Responses shall be 6 | limited to ten (10) pages in length. The parties should consider this Order to be a two- 7 || pronged inquiry into the facial and factual sufficiency of Defendant’s demonstration 8 | of jurisdiction. See Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014). 9 As Defendant is the party asserting federal jurisdiction, Defendant’s failure to 10 | respond timely and adequately to this Order shall result in remand of the action 11 | without further notice. 12 13 IT IS SO ORDERED. 14 15 | Dated: May 27, 2025

"7 FERNANDO L. AENLI -ROCHA

18 United States District Judge 19 20 21 22 23 24 25 26 27 28