

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
WASHINGTON

Auston Waldrop v. Basic American, Inc.

Waldrop · No. 2:25-CV-00382-MKD · Decided December 18, 2025

SUMMARY

The United States District Court for the Eastern District of Washington denied Plaintiff Auston Waldrop’s motion to remand a Washington wage-and-hour class action to state court. The court held that the requirements for jurisdiction under the Class Action Fairness Act were satisfied, including minimal diversity, a class of at least 100 members, and an amount in controversy exceeding \$5 million when alleged damages and attorneys’ fees were considered.

CASE DETAILS

COURT	United States District Court for the Eastern District of Washington
WRITING FOR THE COURT	Mary K. Dimke
JURISDICTION	United States District Court for the Eastern District of Washington
DECIDED	December 18, 2025
DOCKET	2:25-CV-00382-MKD
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to remand a putative class action removed from Grant County Superior Court under the Class Action Fairness Act.
STANDARD OF REVIEW	When the amount in controversy allegation is disputed, the removing party must establish by a preponderance of the evidence that the amount in controversy exceeds \$5 million. The court assesses whether the defendant's reasoning and underlying assumptions are reasonable in light of the complaint and the evidence.
PRECEDENTIAL VALUE	Unknown
PARTIES	Auston Waldrop v. Basic American, Inc.

TOPICS

- class actions
- subject matter jurisdiction
- wage and hour
- attorney fees
- civil procedure

PRACTICE AREAS

civil procedure

employment law

wage and hour

class actions

removal jurisdiction

QUESTIONS PRESENTED

1. Whether the defendant established by a preponderance of the evidence that the amount in controversy exceeded CAFA's \$5 million jurisdictional threshold.
2. Whether the defendant's assumptions concerning the alleged wage-and-hour violations, violation rate, statutory damages, and future attorney fees were reasonable for purposes of CAFA jurisdiction.

HOLDINGS

1. The defendant proved by a preponderance of the evidence that the amount in controversy exceeded \$5 million.
2. Remand was not warranted because CAFA jurisdiction was established.

KEY QUOTATIONS

"The district court's task is simply to determine if the defendant's 'reasoning and underlying assumptions are reasonable.'" (at 4)

"Accordingly, Defendant permissibly estimated a 50% violation rate." (at 8)

"The Court thus finds Defendant has reasonably estimated attorneys' fees and, by coupling only four claims with attorneys' fees, has proven by a preponderance of the evidence that the amount in controversy exceeds \$5 million." (at 9)

FACTUAL BACKGROUND

Waldrop brought a putative class action on behalf of Washington hourly-paid or non-exempt employees, alleging systemic violations involving rest and meal breaks, minimum wages, overtime, paid sick leave, and unlawful wage deductions. Basic American estimated that the proposed class would include approximately 337 employees and submitted employment data concerning employee numbers, wages, and work schedules. Applying a 50% violation rate, double damages for alleged willful wage violations, and a 25% attorney-fee estimate, Basic American calculated the amount in controversy at \$5,885,438.50.

PROCEDURAL HISTORY

Waldrop filed a putative class action in Grant County Superior Court on July 11, 2025, asserting Washington wage-and-hour claims. Basic American removed the action on September 24, 2025, invoking CAFA jurisdiction. Waldrop moved to remand, arguing that the amount in controversy did not exceed \$5 million. The district court denied the motion.

DISPOSITION

other

CASES CITED

- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 89 (2014)
- Perez v. Rose Hills Co., 131 F.4th 804, 808-809
- Ibarra v. Manheim Invs., Inc., 775 F.3d 1193, 1198-1199
- Jauregui v. Roadrunner Transp. Servs., Inc., 28 F.4th 989, 993
- Serrieh v. Jill Acquisition LLC, 707 F. Supp. 3d 968, 974
- Arias v. Residence Inn by Marriott, 936 F.3d 920, 927-928
- Fritsch v. Swift Transportation Co. of Arizona, LLC, 899 F.3d 785, 794, 796 n.6
- Vizcaino v. Microsoft Corp., 290 F.3d 1043, 1047

OPINION

1 FILED IN THE U.S. DISTRICT COURT EASTERN DISTRICT OF WASHINGTON 2 Dec 18,
2025 3 SEAN F. MCAVOY, CLERK 4 5 UNITED STATES DISTRICT COURT 6 EASTERN
DISTRICT OF WASHINGTON 7 AUSTON WALDROP, individually and behalf of all those
similarly No. 2:25-CV-00382-MKD 8 situated, ORDER DENYING PLAINTIFF’S 9 Plaintiff,
MOTION TO REMAND 10 v. ECF No. 10 11 BASIC AMERICAN, INC., a Delaware
corporation, 12 Defendant.

13 Before the Court is Plaintiff’s Motion to Remand. ECF No. 10. Douglas 14 Han, Shunt
Tatavos-Gharajeh, and April Rhéaume represent Plaintiff. Aaron 15 Doyer and James Shore
represent Defendant. The Court has reviewed the motion 16 and record and is fully informed.

For the reasons discussed below, the Court 17 denies Plaintiff’s motion. 18 BACKGROUND 19
Plaintiff, on behalf of himself and all others similarly situated, initiated this 20 class action suit in
Grant County Superior Court on July 11, 2025. ECF No. 1 at 1 29-44. Plaintiff alleges Defendant
“engaged in a systemic scheme of wage and 2 hour abuses against its Washington hourly-paid or
non-exempt employees,” 3 including by: 4 (1) failing to provide employees with the rest breaks to
which they are entitled; (2) failing to provide employees with the meal breaks to which they 5 are
entitled; (3) failing to pay all minimum wages to employees for all hours worked; (4) failing to
pay all overtime wages to employees when they work 6 more than 40 hours in a workweek; and
(5) failing to accrue sick leave for and failing to allow for the usage of paid sick leave for
qualifying absences 7 by employees; and (6) making unlawful deductions and rebates from
employees’ wages.

8 Id. at 30 ¶ 1.1. Plaintiff’s proposed class consists of “[a]ll hourly-paid or non- 9 exempt
employees of Defendant in the State of Washington at any time during the 10 period from three
years preceding the filing of this Complaint to final disposition 11 of this action.” Id. at 31 ¶ 4.1.
Plaintiff asserts eight Washington statutory claims 12 and seeks compensatory and exemplary
damages, attorneys’ fees and costs, and 13 pre-judgment and post-judgment interest.

Id. at 38-44. 14 On September 24, 2025, Defendant removed this action by invoking the 15 Court's jurisdiction under the Class Action Fairness Act ("CAFA"). ECF No. 1 at 16 1-20. First, Defendant maintained the proposed class "would include 17 approximately 337 current and former employees." Id. at 4 ¶ 8 (citing ECF No. 2 18 at 2 ¶ 2). Next, Defendant noted the parties were minimally diverse: Plaintiff is a 19 citizen of Washington and Defendant is incorporated in Delaware and is 20 headquartered in California.

Id. at 6 ¶¶ 12, 14-15 (citing ECF No. 1 at 31 ¶ 3.1; 1 ECF No. 2 at 2 ¶ 3). Third, Defendant estimated the amount in controversy as 2 exceeding \$12,261,322, above and beyond CAFA's \$5,000,000 floor. Id. at 9-18. 3 In support of its amount in controversy estimate, Defendant reasoned four of 4 Plaintiff's causes of action "would themselves exceed" CAFA's amount in 5 controversy requirement.

Id. at 9 ¶ 21. For Plaintiff's first, second, and third 6 claims for relief, Defendant estimated the value of alleged violations as 7 \$4,904,529, not including attorneys' fees and costs. Id. at 15-16 ¶ 41. Adding 8 Plaintiff's eight claims for relief, Defendant estimated the total value of alleged 9 violations would be \$9,809,058. Id. at 16 ¶ 42.

Finally, using a benchmark of 10 25% of Plaintiff's potential recovery, Defendant estimated attorneys' fees would 11 equal at least \$2,452,264—bringing the total amount in controversy, for just four 12 out of eight causes of action, to \$12,261,322. Id. at 18 ¶ 45. 13 Plaintiff, disputing Defendant's amount in controversy estimation, filed the 14 instant motion to remand on October 24, 2025.

ECF No. 10. 15 **LEGAL STANDARD** 16 In general, "any civil action brought in a State court of which the district 17 courts of the United States have original jurisdiction, may be removed by the 18 defendant or the defendants, to the district court." 28 U.S.C. § 1441(a). "Congress 19 enacted [CAFA] to facilitate adjudication of certain class actions in federal court." 20 *Dart Cherokee Basin Operating Co. v. Owens*, 574 U.S. 81, 89 (2014).

CAFA 1 permits a defendant to remove a class action to federal court if there is minimal 2 diversity between the parties, if the class contains at least 100 members, and, if the 3 amount in controversy exceeds \$5 million. See 28 U.S.C. §§ 1332(d), 1453(b). 4 A removing defendant's "notice of removal need include only a plausible 5 allegation that the amount in controversy exceeds the jurisdictional threshold." 6 *Dart Cherokee*, 574 U.S. at 89. "Evidence establishing the amount is required...

7 only when the plaintiff contests, or the court questions, the defendant's allegation." 8 Id. "If the allegation is disputed, then the party seeking removal—and invoking 9 the jurisdiction of the federal courts—bears the burden of demonstrating by a 10 preponderance of the evidence that the

amount in controversy exceeds \$5 million.” 11 *Perez v. Rose Hills Co.*, 131 F.4th 804, 808 (citing *Ibarra v. Manheim Invs., Inc.*, 12 775 F.3d 1193, 1199 (9th Cir.

2015)). “The district court’s task is simply to 13 determine if the defendant’s ‘reasoning and underlying assumptions are 14 reasonable.’” *Id.* (quoting *Jauregui v. Roadrunner Transp. Servs., Inc.*, 28 F.4th 15 989, 993 (9th Cir. 2022)). 16 DISCUSSION 17 The parties do not dispute two out of three of CAFA’s jurisdictional 18 requirements.

First, the size of the putative class exceeds 100 people. ECF No. 1 19 at 4 ¶ 8 (citing ECF No. 2 at 2 ¶ 2). Second, there is minimal diversity of 20 citizenship: Plaintiff is a citizen of Washington and Defendant is organized under 1 the laws of Delaware and has its principal place of business in California. *Id.* at 6 2 ¶¶ 12, 14-15 (citing ECF No. 1 at 31 ¶ 3.1; ECF No. 2 at 2 ¶ 3).

Plaintiff argues, 3 however, that the \$5 million amount in controversy is not met. The Court thus 4 determines whether Defendant’s assumptions are reasonable considering the 5 allegations in the Complaint. *Perez*, 131 F.4th at 808; see *Ibarra*, 775 F.3d at 1198 6 (noting courts must consider “real evidence and the reality of what is at stake in the 7 litigation, using reasonable assumptions underlying the defendant’s theory of 8 damages exposure”).

As discussed below, the Court finds Defendant has proven, 9 by a preponderance of the evidence, that the amount in controversy exceeds \$5 10 million. 11 1. First, Second, Third, and Eighth Claims for Relief 12 In its opposition to Plaintiff’s motion, Defendant estimates the value of these 13 claims to be \$4,708,350.1 ECF No. 12 at 13. Defendant’s calculation is 14 reproduced here: 15 16 1 As noted above, Defendant’s Notice of Removal employs higher figures for these 17 claims and, in turn, estimated attorneys’ fees.

See ECF No. 1 at 15-16 ¶¶ 41-42, 18 18 ¶ 45. The Court need not assess the reasonableness of those estimates, however, 19 because Defendant’s assumptions made in opposition to Plaintiff’s motion satisfy 20 CAFA’s amount of controversy and are both reasonable and amply supported. 1 Defendant’s Calculation, Assuming a 100% Violation Rate \$4,904,529 2 Reduced from 50 Weeks to 48 Weeks \$4,708,350 3 Reduced to 50% Violation Rate \$2,354,175 4 Including Willfulness Damages \$4,708,350 5 *Id.* 6 In support of its base calculation, Defendant notes it employed 7 approximately 132 hourly employees in Washington from July 2022 to July 2023; 8 approximately 193 hourly employees in Washington from July 2023 to July 2024; 9 and approximately 186 hourly employees in Washington from July 2024 to July 10 2025.

ECF No. 1 at 11 ¶ 30 (citing ECF No. 2 at 2 ¶ 5). For this three-year period, 11 Defendant asserts, hourly employees in Washington made, on average, \$22.52 per 12 hour. *Id.* at 12 ¶ 32 (citing ECF No. 2 at 2 ¶ 4). Defendant further asserts that 13 “[t]he majority of hourly employees in the putative class worked rotating 12-hour 14 shifts during the putative class period,” although “[s]ome employees work standard 15 40-hour weeks, consisting of five 8-hour shifts” and others

“work rotating 12-hour 16 shifts, alternating between 36-hour and 48-hour workweeks.” ECF No. 2 at 3 ¶ 6.

17 These numbers were supported by a declaration from Jennifer Anderson, 18 Defendant’s General Counsel and Vice President of Human Resources. See ECF 19 No. 2 at 1 ¶ 1. The Court finds Ms. Anderson’s data constitutes competent 20 evidence. See, e.g., *Perez*, 131 F.4th at 808 (noting that “in a wage-and-hour case, 1 the number of employees in the class may be most easily determined by examining 2 the defendant” employment records.

It therefore may make sense to expect a 3 defendant to introduce evidence of that number.”) (citation omitted); *Serrieh v. Jill 4 Acquisition LLC*, 707 F. Supp. 3d 968, 974 (E.D. Cal. 2023) (accepting declaration 5 from defendant’s Human Resources Director). 6 Assuming a 100% violation rate—that is, “Plaintiff and all putative class 7 members received no compliant meal and rest periods or overtime compensation 8 during the class period”—Defendant provides the following estimations: the value 9 of the alleged violations for employees working five 8-hour shifts would equal 10 \$1,922,687; for employees working rotating 12-hour shifts for 36-hour weeks 11 would equal \$1,076,737; and for employees working rotating 12-hour shifts for 48- 12 hour weeks would equal \$1,905,105.

ECF No. 1 at 12 ¶ 33, 36. The sum of these 13 estimates is \$4,904,529. The Court is satisfied that Defendant’s methodology 14 underlying these estimates is reasonable. See *id.* at 11-15 ¶¶ 31-41; *Jauregui*, 28 15 F.4th at 993 (“As is inescapable at this early stage of the litigation, the removing 16 party must be able to rely on a chain of reasoning that includes assumptions to 17 satisfy its burden to prove by a preponderance of the evidence that the amount in 18 controversy exceeds \$5 million, as long as the reasoning and underlying 19 assumptions are reasonable.”) (citation, quotation marks, and footnote omitted).

20 Further, even assuming Plaintiff’s own calculations are also reasonable, see ECF 1 No. 13 at 8-10 (arguing that the amount in controversy does not exceed 2 \$4,228,693), that is not dispositive. See *Arias v. Residence Inn by Marriott*, 936 3 F.3d 920, 927 (9th Cir. 2019) (“An assertion that the amount in controversy 4 exceeds the jurisdictional threshold is not defeated merely because it is equally 5 possible that damages might be less than the requisite amount.”) (simplified).

6 Still, Defendant does not rely on a 100% violation rate—which Plaintiff 7 challenged in his motion to remand. See ECF No. 10 at 14-20. Instead, after first 8 reducing the number of weeks worked to 48, Defendant halved the violation rate to 9 50%. ECF No. 12 at 11-12.

The Court is satisfied that Defendant’s estimated 10 violation rate is drawn from a reasonable interpretation of the Complaint’s 11 allegations. See, e.g., ECF No. 1 at 34-38 (alleging Defendant engaged in 12 “common course” of violations).

As Defendant correctly notes, “Plaintiff has 13 neither defined the term [common course] nor offered evidence supporting any 14 alleged frequency.” ECF No. 12 at 9. Accordingly, Defendant permissibly 15 estimated a 50% violation rate. Cf. *Perez*, 131 F.4th at 809 (“[Defendant] tethered 16 that assumption to the language in the complaint—namely, that it had committed 17 the alleged violations ‘at times’ and ‘throughout the statutory period.’”).

As such, 18 Defendant need not independently support this estimate with competent evidence. 19 See *id.* 20 1 Finally, the Court assesses the reasonableness of Defendant’s estimation of 2 willfulness damages. Defendant’s inclusion of “double damages” sounds in 3 Plaintiff’s Eighth Claim for Relief, which asserts a violation of RCW 49.52.050. 4 ECF No. 1 at 43-44 ¶¶ 13.1-13.5.

As noted in the Complaint, “RCW 49.52.070 5 provides that any employer who violates the provisions of RCW 49.52.050 shall be 6 liable in a civil action for twice the amount of wages withheld, attorneys’ fees, and 7 costs.” *Id.* at 43 ¶ 13.4. Defendant’s application of double damages reasonably 8 tracks the language of the Complaint. Plaintiff cursorily notes that he “does not 9 concede that all class members in Washington would be subject to double 10 damages, nor that this assumption is reasonable,” ECF No. 13 at 10, failing to 11 show Defendant’s application of double damages was unreasonable under the 12 circumstances.

See *Perez*, 131 F.4th at 808; *Ibarra*, 775 F.3d at 1198. 13 The Court thus finds Defendant reasonably estimated these four claims total 14 at least \$4,708,350. 15 2. Attorneys’ Fees 16 “Because the law entitles [Plaintiff] to an award of attorneys’ fees if he is 17 successful, such future attorneys’ fees are at stake in the litigation, and must be 18 included in the amount in controversy.” *Fritsch v. Swift Transportation Co. of* 19 *Arizona, LLC*, 899 F.3d 785, 794 (9th Cir.

2018); see RCW 49.49.030; RCW 20 49.46.090; RCW 49.52.070. Applying a 25% award to \$4,708,350, Defendant 1 estimates attorneys’ fees totaling at least \$1,117,087.5. See ECF No. 12 at 15-16. 2 Plaintiff does not meaningfully contest the reasonableness of a 25% attorneys’ fee 3 award. See ECF No. 10 at 21-22 (disputing attorneys’ fees estimate based on 4 Defendant’s estimate of the value of the claims—not the 25% rate); ECF No. 13 5 (applying 25% rate to Plaintiff’s own calculations).

The Court finds Defendant’s 6 25% rate is reasonable. See, e.g., *Serriah*, 707 F. Supp. 3d at 979 (“The 7 benchmark for class action attorneys’ fees in the Ninth Circuit is 25%, ‘with 20- 8 30% as the usual range.’”) (quoting *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 9 1047 (9th Cir. 2002)); *Arias*, 936 F.3d at 928 (“Marriott argues that attorneys’ fees 10 should be estimated at 25 percent of the potential damages.

Although such an 11 estimate might be reasonable, we have declined to adopt a per se rule that the 12 amount of attorneys’ fees in controversy in class actions is 25 percent of all other 13 alleged recovery.”) (citation and quotation marks omitted); *Fritsch*, 899 F.3d at 14 796 n.6 (“We do not

hold that a percentage-based method is never relevant when 15 estimating the amount of attorneys' fees included in the amount in controversy, 16 only that a per se rule is inappropriate.”).

Applying a 25% rate to \$4,708,350, the 17 total amount in controversy would equal \$5,885,438.50.2 18 19 2 Were the award reduced to 10%, the total amount in controversy would equal 20 \$5,179,185—still above CAFA's \$5 million amount in controversy floor. 1 The Court thus finds Defendant has reasonably estimated attorneys' fees 2 and, by coupling only four claims with attorneys' fees, has proven by a 3 preponderance of the evidence that the amount in controversy exceeds \$5 million.

4 CONCLUSION 5 For the reasons discussed above, Plaintiff's Motion to Remand is denied. 6 Accordingly, IT IS HEREBY ORDERED: 7 1. Plaintiff's Motion to Remand, ECF No. 10, is DENIED. 8 IT IS SO ORDERED. The District Court Executive is directed to enter this 9 Order and provide a copy to the parties. 10 DATED December 18, 2025. 11 s/Mary K. Dimke MARY K. DIMKE 12 UNITED STATES DISTRICT JUDGE 13 14 15 16 17 18 19 20