

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Mary Catherine Baldi v. Service Finance Co. LLC

No. 1:25-cv-00353-JLT-EPG (E.D. Cal. Sept. 23, 2025) · No. 1:25-cv-00353-JLT-EPG · Decided September 23, 2025

SUMMARY

The document contains findings and recommendations addressing Plaintiff Mary Catherine Baldi’s motion to remand an action removed from the Madera County Superior Court by Service Finance Co. LLC. The court recommends denying remand, concluding that the notice of removal adequately invoked federal-question jurisdiction, concurrent state-court jurisdiction does not preclude removal, and supplemental jurisdiction over the Rosenthal Act claims is appropriate. Objections were ordered due within thirty days.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	September 23, 2025
DOCKET	1:25-cv-00353-JLT-EPG
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to remand an action removed from California state court on the basis that the notice of removal failed to establish Article III standing, that state courts had concurrent jurisdiction over the federal claims, that removal prejudiced discovery, and that supplemental jurisdiction over the state-law claim should be declined. The magistrate judge issued findings and recommendations recommending denial of the motion.
STANDARD OF REVIEW	Removal statutes are strictly construed against removal jurisdiction, and the party invoking federal jurisdiction bears the burden of establishing it. The court assessed subject-matter jurisdiction and supplemental jurisdiction under the applicable statutory standards.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

subject matter jurisdiction

civil procedure

consumer protection

fair debt collection

credit reporting

PRACTICE AREAS

civil procedure

federal jurisdiction

consumer protection

debt collection

credit reporting

QUESTIONS PRESENTED

1. Whether the case should be remanded because the notice of removal did not include a separate analysis establishing Article III standing.
2. Whether the existence of concurrent state-court jurisdiction over the federal claims required remand after proper removal.
3. Whether alleged prejudice from denial of a discovery motion or the defendant's purported strategic timing of removal required remand.
4. Whether the court should decline supplemental jurisdiction over the Rosenthal Act claims under 28 U.S.C. § 1367(c).

HOLDINGS

1. A removing defendant bears the burden of establishing Article III jurisdiction, but a notice of removal need not contain a separate standing analysis when it provides the short and plain statement of the grounds for removal required by 28 U.S.C. § 1446(a). Remand was therefore not required because the notice did not expressly discuss standing.
2. The existence of concurrent state-court jurisdiction over claims arising under the TCPA, FCRA, FDCPA, and FCBA does not require remand when the defendant has properly removed the action under 28 U.S.C. § 1441.
3. Alleged prejudice from the denial of a discovery motion or the possibility that state-court discovery rules would be more favorable does not provide a legal basis to remand an otherwise properly removed action.
4. The court should exercise supplemental jurisdiction over the Rosenthal Act claims because they arise from the same facts and closely related legal issues as the federal claims, and the factors of economy, convenience, fairness, and comity do not warrant declining jurisdiction.

KEY QUOTATIONS

“However, Plaintiff is incorrect that the notice of removal itself must address this issue or that the Court must remand the case because Defendant’s notice fails to include a standing analysis.” (at 5)

“Article III standing is thus satisfied, and the district court properly retained jurisdiction to hear this case.” (at 6)

“And with such closely related factual and legal issues, the factors of economy, convenience, fairness, and comity warrant exercising supplemental jurisdiction over the Rosenthal Act claims.” (at 11)

FACTUAL BACKGROUND

Baldi entered an installment contract for HVAC equipment that was later assigned to Service Finance Co. LLC. After the parties disputed whether she was delinquent, Baldi alleges that she paid the principal balance but was charged an additional \$1,096.20, that the account was reported as delinquent, and that the defendant attempted to collect the disputed debt. She asserted claims under the FCRA, TCPA, FDCPA, Rosenthal Act, and FCBA, alleging, among other things, 47 automated calls and harm from negative credit reporting.

PROCEDURAL HISTORY

Baldi filed suit in Madera County Superior Court on February 19, 2025. Service Finance Co. LLC removed the action on March 25, 2025, invoking federal-question jurisdiction under 28 U.S.C. § 1331. Baldi moved to remand, and the district judge referred the motion to the magistrate judge for findings and recommendations. The recommendation was that the motion to remand be denied, subject to objections within thirty days.

DISPOSITION

other

REMAND INSTRUCTIONS

The assigned district judge is to consider any objections under 28 U.S.C. § 636(b)(1). No remand was recommended.

CASES CITED

- California ex rel. Lockyer v. Dynegy, Inc., 375 F.3d 831, 838 (9th Cir.), opinion amended on denial of reh'g, 387 F.3d 966 (9th Cir. 2004)
- Jones v. Ford Motor Co., 85 F.4th 570, 573-74 (9th Cir. 2023)
- Virginia House of Delegates v. Bethune-Hill, 587 U.S. 658, 662-63 (2019)
- In re Palmdale Hills Prop., LLC, 654 F.3d 868, 873 (9th Cir. 2011)
- Spokeo, Inc. v. Robins, 578 U.S. 330, 341 (2016)
- Lujan v. Defenders of Wildlife, 504 U.S. 555, 573-74 (1992)
- Maya v. Centex Corp., 658 F.3d 1060, 1068 (9th Cir. 2011)
- Salmon Spawning & Recovery All. v. Gutierrez, 545 F.3d 1220, 1225 (9th Cir. 2008)
- Lazar v. Kroncke, 862 F.3d 1186, 1198-99 (9th Cir. 2017)
- Eichenberger v. ESPN, Inc., 876 F.3d 979, 983 (9th Cir. 2017)
- Iten v. Los Angeles, 81 F.4th 979, 990 (9th Cir. 2023)
- Mims v. Arrow Fin. Servs., LLC, 565 U.S. 368, 372 (2012)
- Martin v. Wells Fargo Bank, No. 2:17-CV-03425-RGK-SS, 2017 WL 10605965, at *4 (C.D. Cal. Dec. 15, 2017)
- Claflin v. Mandarich L. Grp., LLP, No. C 13-05255 WHA, 2014 WL 688962, at *3 (N.D. Cal. Feb. 21, 2014)
- Roundtree v. Chase Bank USA, N.A., No. C13-239-MJP, 2013 WL 12073442, at *2 (W.D. Wash. Apr. 18, 2013)

- Merrell Dow Pharmaceuticals Inc. v. Thompson, 478 U.S. 804, 808 (1986)
- Acri v. Varian Assocs., Inc., 114 F.3d 999, 1000-01 (9th Cir. 1997)
- United Mine Workers v. Gibbs, 383 U.S. 715, 725-27 (1966)
- Riggs v. Prober & Raphael, 681 F.3d 1097, 1100 (9th Cir. 2012)
- Mlnarik v. Smith, Gardner, Slusky, Lazer, Pohren & Rogers, LLP, No. 14-CV-01849-BLF, 2014 WL 6657747, at *5 n.7 (N.D. Cal. Nov. 21, 2014)
- Wilkerson v. Wheeler, 772 F.3d 834, 839 (9th Cir. 2014)
- Baxter v. Sullivan, 923 F.2d 1391, 1394 (9th Cir. 1991)

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