

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Margaret N. Butler v. General Motors LLC, a Delaware Limited
Liability Company, and DOES 1-10, inclusive

Butler v. General Motors LLC · No. 2:25-cv-10606-DSF-PD · Decided December 23, 2025

SUMMARY

The United States District Court for the Central District of California granted Margaret N. Butler’s motion to remand her lemon law action to the Los Angeles County Superior Court. The court held that General Motors had not plausibly established the \$50,000 amount-in-controversy requirement for federal-question jurisdiction under the Magnuson-Moss Warranty Act because attorneys’ fees authorized by that Act could not be included where the underlying California Commercial Code claim did not provide for fee shifting. The court did not reach whether removal was timely.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Dale S. Fischer
JURISDICTION	United States District Court for the Central District of California
DECIDED	December 23, 2025
DOCKET	2:25-cv-10606-DSF-PD
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand a removed lemon-law action to California state court, arguing that removal was untimely and that the amount in controversy was insufficient for federal jurisdiction. The district court granted the motion on subject matter jurisdiction grounds.
STANDARD OF REVIEW	Removal jurisdiction is strictly construed against removal, and the removing defendant bears the burden of establishing federal jurisdiction. At the pleading stage, the notice of removal need only plausibly allege that the amount in controversy exceeds the jurisdictional threshold.
PRECEDENTIAL VALUE	unpublished district court opinion

TOPICS

subject matter jurisdiction

civil procedure

consumer protection

uniform commercial code

commercial litigation

PRACTICE AREAS

civil procedure

consumer protection

commercial litigation

uniform commercial code

QUESTIONS PRESENTED

1. Whether the amount in controversy satisfied the Magnuson-Moss Warranty Act's \$50,000 federal jurisdictional threshold.
2. Whether attorneys' fees authorized by the Magnuson-Moss Warranty Act, rather than by the underlying state-law claim, could be included in the amount-in-controversy calculation.
3. Whether the district court should decide the timeliness of removal after determining that subject matter jurisdiction was lacking.

HOLDINGS

1. Attorneys' fees may be included in the Magnuson-Moss amount-in-controversy calculation only when they are available to the prevailing plaintiff under an underlying state fee-shifting statute; fees authorized solely by the Magnuson-Moss Warranty Act cannot be included.
2. General Motors failed to establish that the amount in controversy exceeded the \$50,000 Magnuson-Moss threshold because the amounts alleged without attorneys' fees were only \$35,760 in the notice of removal and \$24,292 in its opposition.
3. The action must be remanded to the Superior Court of California, County of Los Angeles because General Motors did not establish federal subject matter jurisdiction.

KEY QUOTATIONS

"The removal statute is strictly construed against removal jurisdiction"

"only when authorized by an underlying state statute"

FACTUAL BACKGROUND

Butler purchased a 2018 Buick Encore for an estimated \$35,760 and filed a lemon-law action in California state court. After dismissing the dealership and the Song-Beverly claims, she pursued breach-of-warranty claims under the Magnuson-Moss Warranty Act and California Commercial Code. General Motors removed the case and relied on the vehicle price, potential damages, and attorneys' fees to contend that the federal amount-in-controversy requirement was met.

PROCEDURAL HISTORY

Butler filed the action in Los Angeles County Superior Court concerning her purchase of a 2018 Buick Encore. She later dismissed the dealership and voluntarily dismissed her Song-Beverly Consumer Warranty Act claims,

leaving claims under the Magnuson-Moss Warranty Act and California Commercial Code. General Motors removed the action under federal-question and diversity jurisdiction. The district court granted Butler's motion to remand because the amount in controversy did not satisfy the Magnuson-Moss jurisdictional threshold and did not reach the timeliness issue.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case is remanded to the Superior Court of California, County of Los Angeles. The court did not reach whether the notice of removal was timely.

CASES CITED

- Kokkonen v. Guardian Life Insurance Co., 511 U.S. 375, 377 (1994)
- Provincial Government of Marinduque v. Placer Dome, Inc., 582 F.3d 1083, 1087 (9th Cir. 2009)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Shamrock Oil & Gas Corp. v. Sheets, 313 U.S. 100, 108-109 (1941)
- Dart Cherokee Basin Operating Co., LLC v. Owens, 574 U.S. 81, 89 (2014)
- Academy of Country Music v. Continental Casualty Co., 991 F.3d 1059, 1068 (9th Cir. 2021)
- Fritsch v. Swift Transportation Co. of Arizona, LLC, 899 F.3d 785, 794 (9th Cir. 2018)
- Shoner v. Carrier Corp., 30 F.4th 1144, 1148-1150 (9th Cir. 2022)