

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Rita Marquez-Lopez v. General Motors LLC

Marquez-Lopez · No. 2:25-cv-07482-RGK-E · Decided September 22, 2025

SUMMARY

The United States District Court for the Central District of California ordered General Motors LLC to show cause why the amount-in-controversy requirement for diversity jurisdiction was satisfied. The court found that the removal notice did not plausibly establish an amount exceeding \$75,000 based on the alleged actual damages, civil penalties, and attorneys’ fees, and required a written response within five days.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	R. Gary Klausner
JURISDICTION	United States District Court for the Central District of California
DECIDED	September 22, 2025
DOCKET	2:25-cv-07482-RGK-E
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed a California state-court action alleging violations of the Song-Beverly Consumer Warranty Act and Magnuson-Moss Warranty Act on the basis of diversity jurisdiction. The district court issued an order to show cause concerning whether the amount-in-controversy requirement was satisfied.
STANDARD OF REVIEW	On removal, the defendant bears the burden of establishing that the amount in controversy exceeds \$75,000. Removal statutes are strictly construed against removal jurisdiction, and doubts are resolved in favor of remand. When a notice of removal plausibly alleges federal jurisdiction, the defendant must be given an opportunity to establish the jurisdictional requirements by a preponderance of the evidence before remand.
PRECEDENTIAL VALUE	Unknown

TOPICS

subject matter jurisdiction

civil procedure

consumer protection

damages

attorney fees

PRACTICE AREAS

Federal jurisdiction

Removal and remand

Consumer warranty litigation

QUESTIONS PRESENTED

1. Whether Defendant plausibly alleged that the amount in controversy exceeded \$75,000 for purposes of diversity jurisdiction under 28 U.S.C. § 1332.
2. Whether the Court should give Defendant an opportunity to establish the jurisdictional requirements before remanding the removed action.

HOLDINGS

1. Defendant failed to plausibly allege that the amount in controversy exceeded \$75,000 because its estimated actual damages were only \$26,170.75 and it offered no evidence supporting a civil-penalty or attorney-fee award sufficient to satisfy the jurisdictional threshold.
2. Because the notice of removal did not adequately establish the amount in controversy but the deficiency was subject to correction, the Court ordered Defendant to show cause in writing why the jurisdictional requirements were or were not satisfied rather than immediately remanding the action.

KEY QUOTATIONS

“Courts must “strictly construe the removal statute against removal jurisdiction” and remand an action “if there is any doubt as to the right of removal in the first instance.”” (Page 1)

“When a notice of removal plausibly alleges a basis for federal court jurisdiction, a district court may not remand the case back to state court without first giving the defendant an opportunity to show by a preponderance of the evidence that the jurisdictional requirements are satisfied.” (Page 1)

“A shortcoming in a notice of removal concerning the amount in controversy is not jurisdictional . . . until the movant has an opportunity to correct any perceived deficiency in the notice” (Page 1)

FACTUAL BACKGROUND

Plaintiff purchased a 2022 Chevrolet Trailblazer from Defendant and alleged violations of the Song-Beverly Consumer Warranty Act and Magnuson-Moss Warranty Act. Plaintiff sought actual, incidental, and consequential damages, civil penalties, and attorney fees. Defendant asserted that the vehicle purchase price was \$38,688 and that offsets totaled \$12,517.25, yielding estimated actual damages of \$26,170.75, but offered insufficient support for civil penalties and attorney fees sufficient to bring the amount in controversy above \$75,000.

PROCEDURAL HISTORY

Plaintiff filed the action in California state court on March 19, 2025. Defendant removed it to the Central District of California on August 12, 2025, asserting diversity jurisdiction. The district court found that the notice of

removal did not plausibly establish an amount in controversy exceeding \$75,000 and ordered Defendant to submit a written response explaining why the jurisdictional requirements were satisfied.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand was ordered. Defendant was ordered to show cause in writing why the jurisdictional requirements were or were not satisfied. The response could not exceed five pages and had to be filed no later than five days from entry of the order.

CASES CITED

- Fritsch v. Swift Transportation Co. of Arizona, LLC, 899 F.3d 785, 793 (9th Cir. 2018)
- Urbino v. Orkin Services of California, Inc., 726 F.3d 1118, 1121-22 (9th Cir. 2013)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Arias v. Residence Inn, 936 F.3d 920, 924 (9th Cir. 2019)
- Academy of Country Music v. Continental Casualty Co., 991 F.3d 1059, 1068 (9th Cir. 2021)

OPINION

Rita Marquez-Lopez v. General Motors LLC

PER CURIAM.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 2:25-cv-07482-RGK-E Date September 22, 2025 Title Rita Marquez-Lopez v. General Motors LLC Present: The Honorable R. GARY KLAUSNER, UNITED STATES DISTRICT JUDGE Joseph Remigio (not present) Not Reported N/A Deputy Clerk Court Reporter / Recorder Tape No. Attorneys Present for Plaintiff: Attorneys Present for Defendant: Not Present Not Present Proceedings: (IN CHAMBERS) Order to Show Cause Re: Amount in Controversy On March 19, 2025, Rita Marquez-Lopez ("Plaintiff") filed a Complaint against General Motors LLC ("Defendant") in state court alleging violations of the Song-Beverly Consumer Warranty Act (Cal. Civ. Code §§ 1790 et seq.) and Magnuson-Moss Warranty Act. Plaintiff's allegations arise from the purchase of a 2022 Chevrolet Trailblazer ("Vehicle") from Defendant. On August 12, 2025, Defendant removed the action to this Court on the basis of diversity jurisdiction. Pursuant to 28 U.S.C. § 1332, a district court shall have original jurisdiction over any civil action where the matter in controversy exceeds the sum or value of \$75,000 and is between citizens of different States. After a plaintiff files an action in state court, the defendant attempting to remove the action bears the burden of proving the amount in controversy requirement has been met. Fritsch v. Swift

Transp. Co. of Ariz., LLC, 899 F.3d 785, 793 (9th Cir. 2018) (citing Urbino v. Orkin Servs. of Cal., Inc., 726 F.3d 1118, 1121—22 (9th Cir. 2013)). Courts must “strictly construe the removal statute against removal jurisdiction” and remand an action “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). However, “[w]hen a notice of removal plausibly alleges a basis for federal court jurisdiction, a district court may not remand the case back to state court without first giving the defendant an opportunity to show by a preponderance of the evidence that the jurisdictional requirements are satisfied.” Arias v. Residence Inn, 936 F.3d 920, 924 (9th Cir. 2019). “A shortcoming in a notice of removal concerning the amount in controversy is not jurisdictional . . . until the movant has an opportunity to correct any perceived deficiency in the notice,” and the notice need not in and of itself prove that the district court has jurisdiction. Acad. of Country Music v. Cont’l Cas. Co., 991 F.3d 1059, 1068 (9th Cir. 2021). Plaintiff seeks actual, incidental and consequential damages, civil penalties, and attorneys’ fees, among other remedies available under the statutes. In the Notice of Removal, Defendant asserts that the amount in controversy exceeds \$75,000. In support, Defendant states that the purchase price of the CV-90 (06/04) CIVIL MINUTES - GENERAL Page 1 of 2

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 2:25-cv-07482-RGK-E Date September 22, 2025 Title Rita Marquez-Lopez v. General Motors LLC Vehicle was \$38,688, and the offsets total \$12,517.25, yielding actual damages of \$26,170.75. The Court notes that it is unclear what the actual amount paid for the Vehicle is, which raises questions as to the accuracy of Defendant’s estimated amount of actual damages. Nonetheless, even if Defendant’s calculation is used the Court finds that Defendant still fails to plausibly allege that the amount in controversy exceeds \$75,000, especially with \$26,170.75 as the starting point. While Defendant also supports removal with Plaintiff’s request for civil penalties and attorneys’ fees, civil penalties are available only for willful failure to comply. Defendant has not offered any evidence to support such an award, and the Court declines to speculate as to what this award might be. The same is true for attorneys’ fees. For the foregoing reasons, Defendant has not satisfied its burden of plausibly alleging that the amount in controversy meets the jurisdictional requirement. Accordingly, the Court ORDERS Defendant to show cause in writing why the jurisdictional requirements are or are not satisfied. Such a response shall not exceed five pages and must be filed no later than 5 days from the date the order is entered. IT IS SO ORDERED. Initials of Preparer JRE/ve CV-90 (06/04) CIVIL MINUTES - GENERAL Page 2 of 2