UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Ramirez v. Kaiser Foundation Health Plan, Inc.

No. 25-cv-03922-RFL (N.D. Cal. Oct. 2, 2025) · No. 25-cv-03922-RFL · Decided October 2, 2025

SUMMARY

The United States District Court for the Northern District of California denied Plaintiffs' motion to remand their putative class action to state court. The court held that Plaintiffs' fraud claim was completely preempted under section 301 of the Labor Management Relations Act because it depended on rights arising from a collective bargaining agreement. The court also exercised supplemental jurisdiction over the remaining state-law claims because they arose from a common nucleus of operative fact.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Rita F. Lin
JURISDICTION	United States District Court for the Northern District of California
DECIDED	October 2, 2025
DOCKET	25-cv-03922-RFL
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiffs in a putative class action moved to remand the action to California state court after defendants removed it on the ground that claims were preempted by section 301 of the Labor Management Relations Act.
STANDARD OF REVIEW	The removing defendants bear the burden of establishing federal subject matter jurisdiction, and any doubt is resolved in favor of remand.
PRECEDENTIAL VALUE	Unknown
PARTIES	Idalia Ramirez, Donald Keck v. Kaiser Foundation Health Plan, Inc., Kaiser Foundation Hospitals, The Permanente Medical Group, Inc., Southern California Permanente Medical Group

TOPICS

subject matter jurisdiction | civil procedure | labor law | wage and hour | class actions

PRACTICE AREAS

civil procedure | labor law | employment law | wage and hour | federal jurisdiction

QUESTIONS PRESENTED

1. Whether plaintiffs' fraud claim was completely preempted by section 301 of the Labor Management Relations Act because the rights asserted arose solely from a collective bargaining agreement.
2. Whether the district court could exercise supplemental jurisdiction over plaintiffs' remaining state-law claims.

HOLDINGS

1. The fraud claim was completely preempted by section 301 because it sought to vindicate wage-rate rights arising solely from the collective bargaining agreement.
2. The court could exercise supplemental jurisdiction over the remaining claims because they arose from the same working conditions and relationship and shared a common nucleus of operative fact with the preempted fraud claim.

KEY QUOTATIONS

> *"Ramirez and Keck's fraud claim is preempted by section 301 of the LMRA, and the Court has supplemental jurisdiction over their remaining claims."*

> *"Interpretation" in this context "is construed narrowly; 'it means something more than "consider," "refer to," or "apply."'"* (at 921)

FACTUAL BACKGROUND

Plaintiffs alleged that defendants failed to pay employees overtime compensation for excess hours worked and missed breaks, improperly coded overtime hours as standard hours, and misrepresented how payroll was processed. Their fraud claim relied on alleged promises to compensate employees according to a collective bargaining agreement. The CBA provided wage rates and overtime benefits exceeding those required by California law, including enhanced compensation for certain extended workdays and consecutive workdays.

PROCEDURAL HISTORY

Ramirez and Keck filed a putative class action in California state court asserting California wage-and-hour, unfair-competition, and fraud claims. Defendants removed the action to federal court, asserting that most claims, including the fraud claim, were preempted by section 301 of the LMRA. The district court denied the motion to remand, concluding that the fraud claim was completely preempted and that supplemental jurisdiction extended to the remaining claims.

DISPOSITION

remanded

CASES CITED

- Burnside v. Kiewit Pac. Corp., 491 F.3d 1053, 1059–60 (9th Cir. 2007)
- Franchise Tax Bd. v. Constr. Laborers Vacation Trust, 463 U.S. 1, 23 (1983)
- Allis-Chalmers Corp. v. Lueck, 471 U.S. 202, 211 (1985)
- Alaska Airlines Inc. v. Schurke, 898 F.3d 904, 921–22 (9th Cir. 2018)
- Balcorta v. Twentieth Century-Fox Film Corp., 208 F.3d 1102, 1108 (9th Cir. 2000)
- Cramer v. Consol. Freightways, Inc., 255 F.3d 683, 691 (9th Cir. 2001) (en banc)
- Columbia Exp. Terminal, LLC v. Int'l Longshore & Warehouse Union, 23 F.4th 836, 844 (9th Cir. 2022)
- Hubbard v. United Airlines, Inc., 927 F.2d 1094, 1098 (9th Cir. 1991)
- Radford v. Nexstar Broad., Inc., No. 24-cv-08118-RFL, 2025 WL 829601, at *1 (N.D. Cal. Mar. 14, 2025)
- Plute v. Roadway Package Sys., Inc., 141 F. Supp. 2d 1005, 1007 (N.D. Cal. 2001)
- Jimenez v. Young's Mkt. Co., LLC, No. 21-cv-02410-EMC, 2021 WL 5999082, at *13 (N.D. Cal. Dec. 20, 2021)
- Gay v. Pac. Steel Grp., No. 20-cv-08442-HSG, 2021 WL 2917095, at *3 (N.D. Cal. June 15, 2021)
- Kuba v. 1-A Agric. Ass'n, 387 F.3d 850, 855 (9th Cir. 2004)
- Hooks v. S.F. Opera Ass'n, No. 23-cv-04703-RFL, 2024 WL 1091189, at *3 (N.D. Cal. Jan. 19, 2024)
