

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Ethelbert Clay Sr. v. General Motors, LLC

No. 2:25-cv-07962-AH-(MARx) (C.D. Cal. Dec. 15, 2025) · No. 2:25-cv-07962-AH-(MARx) · Decided
December 15, 2025

SUMMARY

The United States District Court for the Central District of California grants Plaintiff Ethelbert Clay Sr.’s motion to remand his Song-Beverly Consumer Warranty Act and related claims against General Motors LLC. The court concludes that Defendant established estimated actual damages and civil penalties totaling \$62,204.64 but did not sufficiently establish attorney’s fees, leaving the amount in controversy below the \$75,000 diversity-jurisdiction threshold. The case is remanded to the Los Angeles County Superior Court, and the federal case is closed.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Anne Hwang
JURISDICTION	United States District Court for the Central District of California
DECIDED	December 15, 2025
DOCKET	2:25-cv-07962-AH-(MARx)
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand a removed state-court action asserting California warranty and consumer-protection claims, along with a Magnuson-Moss Warranty Act claim. The district court granted the motion and remanded the action to state court.
STANDARD OF REVIEW	The removing defendant bears the burden of establishing by a preponderance of the evidence that the amount in controversy exceeds the jurisdictional threshold when the complaint does not clearly establish that amount. Any doubt concerning the right of removal is resolved in favor of remand.
PRECEDENTIAL VALUE	nonprecedential unpublished district court order

TOPICS

- subject matter jurisdiction
- civil procedure
- damages
- consumer protection
- remedies

PRACTICE AREAS

civil procedure

removal and remand

federal jurisdiction

consumer warranty law

damages

QUESTIONS PRESENTED

1. Whether Defendant established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 for diversity jurisdiction.
2. Whether the estimated restitution damages, civil penalties, and attorney's fees could be included in calculating the amount in controversy.
3. Whether the case should be remanded because the jurisdictional amount was not established.

HOLDINGS

1. The Court may account for Song-Beverly Act use offsets and other statutory offsets when estimating the amount in controversy. Defendant established estimated actual damages of \$20,734.88.
2. Defendant established that \$41,469.76 in Song-Beverly civil penalties was in controversy because Plaintiff expressly sought a penalty of two times actual damages and the record showed multiple repair presentations.
3. Defendant failed to establish by a preponderance of the evidence that Plaintiff's attorney's fees would exceed the amount needed to satisfy the jurisdictional threshold.
4. Defendant did not establish that the amount in controversy exceeded \$75,000; therefore, the Court lacked a sufficient basis to retain diversity jurisdiction and granted the motion to remand.

KEY QUOTATIONS

"Federal courts are courts of limited jurisdiction." (at 2)

"Any doubt about the right of removal requires resolution in favor of remand." (at 2)

"A district court may reject the defendant's attempts to include future attorneys' fees in the amount in controversy if the defendant fails to satisfy this burden of proof." (at 5)

FACTUAL BACKGROUND

Plaintiff purchased a vehicle manufactured or distributed by General Motors on or around May 9, 2021, for which he received express warranties. During his ownership, the vehicle allegedly developed an electrical defect, and Plaintiff presented it to General Motors or authorized repair facilities several times without the defect being repaired after a reasonable number of opportunities. Plaintiff asserted claims under the Song-Beverly Consumer Warranty Act, the Magnuson-Moss Warranty Act, the Uniform Commercial Code, and the Consumer Legal Remedies Act.

PROCEDURAL HISTORY

Plaintiff commenced the action in the Los Angeles County Superior Court on February 7, 2025, and filed a first amended complaint on April 1, 2025. Defendant answered on June 20, 2025, and removed the action on August

22, 2025, invoking diversity jurisdiction. Plaintiff moved to remand on November 7, 2025. The district court concluded that Defendant failed to establish by a preponderance of the evidence that the amount in controversy exceeded \$75,000 and remanded the case.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case was remanded to the Superior Court of the State of California for the County of Los Angeles. All dates were vacated, and the Clerk of Court was directed to close the federal case.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- Fritsch v. Swift Transp. Co. of Ariz., LLC, 899 F.3d 785, 793, 795 (9th Cir. 2018)
- Moore-Thomas v. Alaska Airlines, Inc., 553 F.3d 1241, 1244 (9th Cir. 2009)
- Covarrubias v. Ford Motor Co., 2025 WL 907544, at *2 (C.D. Cal. Mar. 24, 2025)
- Schneider v. Ford Motor Co., 756 F. App'x 699, 701 n.3 (9th Cir. 2018)
- Godoy v. Jaguar Land Rover N. Am., LLC, 2024 WL 4682310, at *3 (N.D. Cal. Nov. 5, 2024)
- Mitchell v. Blue Bird Body Co., 80 Cal. App. 4th 32, 38 (2000)
- Savall v. FCA US LLC, 2021 WL 1661051, at *3 (S.D. Cal. Apr. 28, 2021)
- Castillo v. FCA USA, LLC, 2019 WL 6607006, at *2 (S.D. Cal. Dec. 5, 2019)
- Lopez v. Kia Am., Inc., 693 F. Supp. 3d 1063, 1068 (C.D. Cal. 2023)
- Gonzales v. CarMax Auto Superstores, LLC, 840 F.3d 644, 648-49 (9th Cir. 2016)
- Schneider v. Ford Motor Co., 441 F. Supp. 3d 909, 914 (N.D. Cal. 2020)
- Perez v. Gen. Motors LLC, 2025 WL 3171905, at *4 (C.D. Cal. Nov. 13, 2025)