

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Foster v. Airbnb, Inc.

No. 25-cv-01365-DMR (N.D. Cal. May 12, 2025) · No. 25-cv-01365-DMR · Decided May 12, 2025

SUMMARY

The court ordered the self-represented plaintiff to show cause why his action against Airbnb should not be dismissed for lack of federal subject matter jurisdiction. The court concluded that the claim appears to arise under state contract law, does not present a federal question, and seeks less than the amount required for diversity jurisdiction.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Donna M. Ryu
JURISDICTION	United States District Court for the Northern District of California
DECIDED	May 12, 2025
DOCKET	25-cv-01365-DMR
DISPOSITION	other
PROCEDURAL POSTURE	A self-represented plaintiff filed a contract complaint and an application to proceed in forma pauperis. The court issued an order to show cause requiring plaintiff to explain why the action could be maintained in federal court.
STANDARD OF REVIEW	Federal courts are presumed to lack subject matter jurisdiction unless jurisdiction affirmatively appears. Federal-question jurisdiction is determined under the well-pleaded complaint rule, and diversity jurisdiction requires, among other things, an amount in controversy exceeding \$75,000.
PRECEDENTIAL VALUE	unpublished

TOPICS

- subject matter jurisdiction
- civil procedure
- breach of contract

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the complaint adequately establishes federal-question jurisdiction under 28 U.S.C. § 1331.
2. Whether diversity jurisdiction is available when the amount in controversy is \$2,633.66, below the statutory threshold in 28 U.S.C. § 1332.
3. Whether plaintiff should be required to show cause why the action should not be dismissed without prejudice for lack of subject matter jurisdiction.

HOLDINGS

1. The complaint does not presently establish federal-question jurisdiction because it asserts a state-law contract claim and does not identify a federal constitutional provision, law, or treaty supporting the claim.
2. The complaint does not presently establish diversity jurisdiction because the amount in controversy is less than \$75,000, even though the parties may be completely diverse.

KEY QUOTATIONS

“Federal courts are courts of limited jurisdiction, and a “federal court is presumed to lack jurisdiction in a particular case unless the contrary affirmatively appears.”” (at 1)

“the presence or absence of federal-question jurisdiction is governed by the ‘well-pleaded complaint rule,’ which provides that federal jurisdiction exists only when a federal question is presented on the face of the plaintiff’s properly pleaded complaint.” (at 1)

FACTUAL BACKGROUND

Travis Foster alleged that he rented a property through Airbnb’s platform and that Airbnb agreed to refund him \$2,633.66. He alleged that Airbnb failed to make the refund. Foster listed a Michigan address for himself and a California address for Airbnb, invoked federal-question jurisdiction without identifying a federal law, and requested a federal small-claims division.

PROCEDURAL HISTORY

Plaintiff alleged that Airbnb agreed to refund him \$2,633.66 after he rented a property through its platform but failed to do so. He invoked federal-question jurisdiction without identifying a federal law and sought assignment to a small-claims division. The court ordered him to respond by June 2, 2025, warning that failure to establish subject matter jurisdiction would result in a report and recommendation for dismissal without prejudice, and vacated the case management conference.

DISPOSITION

other

CASES CITED

- Stock W., Inc. v. Confederated Tribes, 873 F.2d 1221, 1225
- Rivet v. Regions 1 (1987)

OPINION

Foster v. Airbnb, Inc.

PER CURIAM.

1 2 3

4 UNITED STATES DISTRICT COURT

5 NORTHERN DISTRICT OF CALIFORNIA

6 7 TRAVIS FOSTER, Case No. 25-cv-01365-DMR 8 Plaintiff, ORDER TO SHOW CAUSE RE:

9 v. SUBJECT MATTER JURISDICTION

10 AIRBNB, INC.,

11 Defendant. 12 Self-represented Plaintiff Travis Foster filed a complaint and an application to
proceed in

13 forma pauperis (“IFP”). [Docket Nos. 1, 2.] Plaintiff brings his claim against Defendant Airbnb,
14 Inc. Plaintiff alleges that he rented a property on Defendant’s platform and Defendant agreed to
15 refund Plaintiff \$2,633.66. However, Defendant failed to refund Plaintiff. Plaintiff lists his 16
address as Detroit, Michigan, and Defendant’s address as San Francisco, California. Although he
17 states that his case belongs in federal court under federal question jurisdiction, he does not
specify 18 a particular federal law or statute he is suing under, and he requests that the case be
assigned to the 19 “Small Claims” division of the court. 20 It appears that Plaintiff’s case belongs
in California state court, not federal court. Federal 21 courts are courts of limited jurisdiction, and
a “federal court is presumed to lack jurisdiction in a 22 particular case unless the contrary
affirmatively appears.” Stock W., Inc. v. Confederated Tribes, 23 873 F.2d 1221, 1225 (9th Cir.
1989) (citations omitted). Federal subject matter jurisdiction under 24 28 U.S.C. § 1331 requires a
civil action to arise under the constitution, laws, or treaties of the 25 United States. “[T]he
presence or absence of federal-question jurisdiction is governed by the 26 ‘well-pleaded complaint
rule,’ which provides that federal jurisdiction exists only when a federal 27 question is presented
on the face of the plaintiff’s properly pleaded complaint.” Rivet v. Regions 1 (1987)). A district
court has diversity jurisdiction where the parties are diverse and “the matter in 2 controversy
exceeds the sum or value of \$75,000, exclusive of interests and costs.” 28 U.S.C. 3 §1332. 4
Plaintiff’s complaint sounds in contract law, which is state law. Plaintiff does not plead a 5 federal
question. And although there may be complete diversity, the matter in controversy is less 6 than
\$75,000. Plaintiff does not plead diversity jurisdiction. Indeed, Plaintiff seems to have 7 requested
to be heard by a “Small Claims” division; small claims court is part of the state court 8 system, not
federal court. 9 In light of the foregoing, the court orders Plaintiff to respond by June 2, 2025 and
explain 10 in writing why this action may be brought in federal court. If Plaintiff does not respond

by that 11 date or his response fails to establish a basis for federal subject matter jurisdiction, the court will 12 prepare a report and recommendation recommending that a district judge dismiss this case 13 without prejudice to Plaintiff bringing his complaint in state court. The Case Management 14 Conference set for June 4, 2025 is VACATED and will be re-set by the court if appropriate. 15 16 IT IS SO ORDERED. 17 Dated: May 12, 2025 _____

DONNA M. RYU

18 Chief Magistrate Judge 19 20 21 22 23 24 25 26 27