

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PRECEDENTIAL VALUE	unpublished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)

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