

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF
OKLAHOMA

Beatriz and Rodrigo Cisneros v. State Farm Fire and Casualty
Company, et al.

Cisneros · No. CIV-25-42-R · Decided April 21, 2026

SUMMARY

The United States District Court for the Western District of Oklahoma denied Plaintiffs’ Renewed Motion to Remand. The court held that the Supreme Court’s decision in Hain Celestial did not alter the fraudulent-joinder standard or undermine the court’s prior finding that the nondiverse defendant was fraudulently joined. The court also rejected Plaintiffs’ arguments based on similar cases and newly presented evidence concerning the roof-damage denial letter.

CASE DETAILS

COURT	United States District Court for the Western District of Oklahoma
JURISDICTION	United States District Court for the Western District of Oklahoma
DECIDED	April 21, 2026
DOCKET	CIV-25-42-R
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs filed a renewed motion to remand after the Court had previously denied remand and found that the nondiverse defendant was fraudulently joined.
PRECEDENTIAL VALUE	Unpublished district court order; persuasive authority only

TOPICS

- subject matter jurisdiction
- motion for reconsideration
- insurance
- federalism
- civil procedure

PRACTICE AREAS

- Civil procedure
- Insurance litigation
- Federal jurisdiction

QUESTIONS PRESENTED

- Whether the Supreme Court's decision in Hain Celestial Grp., Inc. v. Palmquist warranted reconsideration of the prior denial of remand.

2. Whether Plaintiffs' reliance on decisions in other cases and State Farm's denial letter established that the nondiverse defendant was not fraudulently joined.
3. Whether the action should be remanded for lack of subject matter jurisdiction.

HOLDINGS

1. Hain Celestial did not provide a basis for reconsidering the Court's prior fraudulent-joinder determination or for remanding the action.
2. Plaintiffs failed to show that the nondiverse defendant was not fraudulently joined or that reconsideration of the prior remand ruling was appropriate; the renewed motion to remand was therefore denied.

KEY QUOTATIONS

“The district courts are not free to limit federal jurisdiction to avoid error.”

FACTUAL BACKGROUND

Plaintiffs' claims arose from alleged roof damage and State Farm's handling of their insurance claim. State Farm denied coverage or payment based in part on its conclusion that the roof had minor wind damage and that its condition was consistent with age, granular loss, and deterioration. Plaintiffs argued that this evidence undermined the prior finding that the nondiverse defendant had been fraudulently joined, but the Court concluded that the dispute over the cause or extent of the roof damage did not establish a viable claim against that defendant.

PROCEDURAL HISTORY

The action was removed to federal court based on diversity jurisdiction. The Court previously denied Plaintiffs' motion to remand, concluding that the nondiverse defendant was fraudulently joined. Plaintiffs renewed their request for remand based on the Supreme Court's decision in *Hain Celestial Grp., Inc. v. Palmquist*, decisions in other cases, and a State Farm denial letter. The Court denied the renewed motion.

DISPOSITION

other

CASES CITED

- *Hain Celestial Grp., Inc. v. Palmquist*, 607 U.S. ___, 146 S. Ct. 724 (2026)
- *Skidmore v. Schinke*, No. 25-1436, 2026 WL 860093, at *3 (4th Cir. Mar. 30, 2026)
- *Tresco, Inc. v. Cont'l Cas. Co.*, 727 F. Supp. 2d 1243, 1252 n.5 (D.N.M. 2010)
- *Dutcher v. Matheson*, 733 F.3d 980, 988 (10th Cir. 2013)
- *Wilder v. State Farm Fire & Cas. Co.*, No. CIV-25-00092-JD, 2025 WL 2918045, at *6 (W.D. Okla. Oct. 14, 2025)
- *Waller v. State Farm*, No. 25-CV-00448-SH, 2026 WL 880234, at *6 (N.D. Okla. Mar. 30, 2026)

- Robbins v. State Farm, No. CIV-25-324-G, 2026 WL 878449, at *6 (W.D. Okla. Mar. 30, 2026)
- Schettler v. State Farm Fire & Cas. Co., CIV-25-845-JD (W.D. Okla. Apr. 6, 2026)

OPINION

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF OKLAHOMA BEATRIZ and RODRIGO CISNEROS,)) Plaintiffs,)) v.) Case No. CIV-25-42-R) STATE FARM FIRE AND CASUALTY) COMPANY, et al.,)) Defendants.) ORDER Before the Court is Plaintiffs' Renewed Motion to Remand [Doc. No. 55], which is fully briefed [Doc. Nos. 71, 73] and at issue. Plaintiffs argue that the Supreme Court's recent decision in *Hain Celestial Grp., Inc. v. Palmquist*, 607 U.S. ___, 146 S. Ct.

724 (2026), warrants remanding this action to state court. In *Hain Celestial*, 146 S. Ct. at 728, the Supreme Court considered "whether a district court's erroneous dismissal of a nondiverse party before final judgment can cure a jurisdictional defect that existed when the case was removed to federal court." The Supreme Court answered the question in the negative, concluding the district's court's final judgment must be vacated.

Id. Notably, *Hain Celestial* did not evaluate whether the district court's improper joinder decision was or was not correct. *Id.* at 730. *Hain Celestial* did not address the fraudulent joinder standard and does not provide a basis for reconsidering the Court's prior order denying remand. See *Skidmore v. Schinke*, No. 25-1436, 2026 WL 860093, at *3 (4th Cir. Mar.

30, 2026) (noting that the Fourth Circuit's fraudulent joinder standard remains good law even after *Hain Celestial*).¹ As to Plaintiffs' belief that *Hain Celestial* counsels in favor of remand because it recognizes the risk of a post-merits reversal for lack of subject matter jurisdiction, that possible problem would appear to exist in every federal case, particularly where jurisdiction is questioned.

But district courts often have to make difficult decisions. The district courts are not free to limit federal jurisdiction to avoid error. *Tresco, Inc. v. Cont'l Cas. Co.*, 727 F. Supp. 2d 1243, 1252 n.5 (D.N.M. 2010).

In any event, the Tenth Circuit already takes a strict approach to fraudulent joinder which accords with the presumption against removal jurisdiction, see, e.g., *Dutcher v. Matheson*, 733 F.3d 980, 988 (10th Cir. 2013), and which this Court applied in denying remand. Plaintiffs make two additional arguments in re-urging their request for remand, neither of which is persuasive.

First, they point to other cases involving similar claims where the district court granted remand and/or the state court denied a motion to dismiss. But the issue here is whether the nondiverse defendant in this case is fraudulently joined, not whether there is a possibly viable claim against a different defendant in a different case. Further, although the allegations in many of these cases are similar, they are not always identical.

See *Wilder v. State Farm Fire & Cas. Co.*, No. CIV-25-00092-JD, 2025 WL 2918045, at *6 (W.D. Okla. Oct. 14, 2025) (denying remand and recognizing “a notable difference” between the allegations in different cases). Here, for the reasons explained in 1 See also *Waller v. State Farm*, No. 25-CV-00448-SH, 2026 WL 880234, at *6 (N.D. Okla. Mar. 30, 2026) (denying remand post-*Hain Celestial* in a case with materially similar allegations); *Robbins v. State Farm*, No. CIV-25-324-G, 2026 WL 878449, at *6 (W.D.

Okla. Mar. 30, 2026) (same); *Schettler v. State Farm Fire & Cas. Co.*, CIV-25-845-JD (W.D. Okla. Apr. 6, 2026). the Court’s prior orders, see Doc. Nos. 24, 30, Plaintiffs’ own allegations and the other material in the record established that the nondiverse defendant was fraudulently joined.

Second, Plaintiffs argue that remand is warranted because they lacked “crucial evidence” during the initial briefing cycle on their motion to remand that undermines the Court’s prior finding of fraudulent joinder. The “crucial evidence” is State Farm’s denial letter stating that roof had “minor wind damage” and its condition was consistent with the roof’s “age, granular loss and deterioration.” Putting aside the fact that the denial letter was available during the initial briefing cycle, the issues raised by the letter have already been considered and rejected by the Court.

The disagreement between State Farm and Plaintiffs about the cause or extent of the roof damage does not, based on the allegations in this case, provide a basis for asserting a claim against the nondiverse agent. See *Wilder*, 2025 WL 2918045, at *6 (“Plaintiff’s damages stem from State Farm’s calculation of the repairs to her property, not from Plaintiff’s lack of coverage related to the above alleged misrepresentations.”).

Plaintiffs have not shown that reconsideration of these issues is appropriate or that the action should be remanded for a lack of subject matter jurisdiction. Plaintiffs’ Renewed Motion to Remand [Doc. No. 55] is therefore DENIED. IT IS SO ORDERED this 21st day of April, 2026.
UNITED STATES DISTRICT JUDGE