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7	UNITED STA	TES DISTRICT COURT
8	CENTRAL DIS	TRICT OF CALIFORNIA
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10	JACOB LOPEZ,) Case No. CV 18-5074 FMO (JEMx)
11	Plaintiff,	
12	٧.	ORDER REMANDING ACTION
13	ROSENDIN ELECTRIC, INC.,	
14	Defendant.	
15)

16 On April 17, 2018, plaintiff Jacob Lopez ("plaintiff" or "Lopez") filed a Class Action Complaint 17 in the Los Angeles County Superior Court against Rosendin Electric, Inc. ("defendant" or "Rosendin"). (See Dkt. 1, Notice of Removal of Civil Action [] ("NOR") at ¶ 1; Dkt. 1-1, Class 18 19 Action Complaint for Damages ("Complaint")). The Complaint asserts ten claims for relief under 20 California law: (1) violation of California Labor Code §§ 510 and 1198 (unpaid overtime); (2); 21 violation of California Labor Code §§ 226.7 and 512(a) (unpaid meal period premiums) (3) violation 22 of California Labor Code § 226.7 (unpaid rest period premiums); (4) violation of California Labor 23 Code §§ 1194, 1197, and 1197.1 (unpaid minimum wages); (5) violation of California Labor Code 24 §§ 201 and 202 (final wages not timely paid); (6) violation of California Labor Code § 204 (wages 25 not timely paid during employment); (7) violation of California Labor Code § 226(a) (non-compliant wage statements); (8) violation of California Labor Code § 1174(d) (failure to keep requisite payroll 26 27 records; (9) violation of California Labor Code §§ 2800 and 2802 (unreimbursed business 28 expenses); and (10) violation of California Business & Professions Code §§ 17200, et seq. (See Dkt. 1-1, Complaint at ¶¶ 47-117). On June 4, 2018, plaintiff filed a First Amended Complaint
("FAC") alleging five claims: (1) violation of California Labor Code § 226.7 (unpaid rest period
premiums); (2) violation of California Labor Code §§ 201 and 202 (final wages not timely paid);
(3) violation of California Labor Code § 226(a) (non-compliant wage statements); (4) violation of
California Labor Code §§ 2800 and 2802 (unreimbursed business expenses); and (5) violation of
California Business & Professions Code §§ 17200, et seq. (See Dkt. 1-3, FAC).

On June 7, 2018, defendant removed the action to this court on grounds of federal question
jurisdiction pursuant to 28 U.S.C. § 1331 and § 301 of the Labor Management Relations Act
("LMRA"), 29 U.S.C. § 185(a). (See Dkt. 1, NOR at ¶ 8). Having reviewed and considered the
pleadings and all the materials submitted by defendant, the court hereby remands this action to
state court for lack of subject matter jurisdiction. See 28 U.S.C. § 1447(c).

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LEGAL STANDARD

13 Removal of a civil action from the state court where it was filed is proper if the action might 14 have originally been brought in federal court. See 28 U.S.C. § 1441(a) ("Except as otherwise 15 expressly provided by Act of Congress, any civil action brought in a State court of which the district 16 courts of the United States have original jurisdiction, may be removed by the defendant or the 17 defendants, to the district court[.]"). "The burden of establishing federal jurisdiction is upon the party seeking removal[.]" Emrich v. Touche Ross & Co., 846 F.2d 1190, 1195 (9th Cir. 1988). As 18 19 such, any doubts are resolved in favor of remand. See Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th 20 Cir. 1992) ("We strictly construe the removal statute against removal jurisdiction. Federal 21 jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance.") 22 (internal citations omitted). Indeed, "[i]f at any time before final judgment it appears that the district 23 court lacks subject matter jurisdiction, the case shall be remanded." 28 U.S.C. § 1447(c).

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DISCUSSION

Defendant contends that "[t]his court has original jurisdiction over claims in this action
arising under federal law." (Dkt. 1, NOR at ¶ 8). "As the master of the complaint, a plaintiff may
defeat removal by choosing not to plead independent federal claims." <u>ARCO Envt'l Remediation</u>,
<u>L.L.C. v. Dep't of Health and Envt'l Quality of Montana</u>, 213 F.3d 1108, 1114 (9th Cir. 2000). The

existence of a federal defense is not enough to justify removal to federal court. <u>See Caterpillar</u>
<u>Inc. v. Williams</u>, 482 U.S. 386, 393, 107 S.Ct. 2425, 2430 (1987) ("[I]t is now settled law that a
case may <u>not</u> be removed to federal court on the basis of a federal defense, including the defense
of pre-emption, even if the defense is anticipated in the plaintiff's complaint[.]") (emphasis in
original).

6 The well-pleaded complaint rule "provides that federal jurisdiction exists only when a federal 7 question is presented on the face of the plaintiff's properly pleaded complaint." Smallwood v. 8 Allied Van Lines, Inc., 660 F.3d 1115, 1120 (9th Cir. 2011) (quoting Caterpillar, 482 U.S. at 392, 9 107 S.Ct. at 2429). However, "[t]he jurisdictional doctrine of complete preemption serves as an 10 exception to the well-pleaded complaint rule." Ansley v. Ameriquest Mortg. Co., 340 F.3d 858, 861 11 (9th Cir. 2003). The complete preemption doctrine "provides that, in some instances, the 12 preemptive force of [federal statutes] is so strong that they completely preempt an area of state 13 law." <u>Id.</u> at 861-62 (internal quotation marks omitted). The "proper inquiry focuses on whether 14 Congress intended the federal cause of action to be exclusive[.]" Beneficial Nat'l Bank v. 15 Anderson, 539 U.S. 1, 9 n. 5, 123 S.Ct. 2058, 2064 (2003). "[O]nce an area of state law has been 16 completely pre-empted, any claim purportedly based on that pre-empted state law is considered, 17 from its inception, a federal claim, and therefore arises under federal law." Caterpillar, 482 U.S. at 393, 107 S.Ct. at 2430. Complete preemption "arises only in 'extraordinary' situations." Ansley, 18 19 340 F.3d at 862.

Defendant asserts that the claims in plaintiff's FAC "cannot be resolved without reference to the collective bargaining agreement which governs the terms and conditions of Plaintiff's former employment with Rosendin[.]" (Dkt. 1, NOR at ¶ 8). Section 301 of the LMRA provides:

- 23 Suits for violation of contracts between an employer and a labor organization 24 representing employees in an industry affecting commerce as defined in this 25 chapter, or between any such labor organizations, may be brought in any 26 district court of the United States having jurisdiction of the parties, without 27 respect to the amount in controversy or without regard to the citizenship of 28 the parties.
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1 29 U.S.C. § 185(a). "The Supreme Court decided early on that in enacting this statute, Congress 2 charged federal courts with a 'mandate . . . to fashion a body of federal common law to be used 3 to address disputes arising out of labor contracts." <u>Burnside v. Kiewit Pac. Corp.</u>, 491 F.3d 1053, 4 1059 (9th Cir. 2007) (quoting Allis-Chalmers Corp. v. Lueck, 471 U.S. 202, 209, 105 S.Ct. 1904, 5 1910 (1985)) (alteration in original). "As a result of this broad federal mandate, ... the 'preemptive 6 force of section 301 is so powerful as to displace entirely any state cause of action for violation 7 of contracts between an employer and a labor organization." Burnside, 491 F.3d at 1059. Yet, 8 "not every dispute concerning employment, or tangentially involving a provision of a collective-9 bargaining agreement, is pre-empted by § 301." Kobold v. Good Samaritan Reg'l Med. Ctr., 832 10 F.3d 1024, 1032 (9th Cir. 2016) (internal guotation marks omitted).

11 To determine if a plaintiff's state law claim is preempted by § 301, the court engages in a 12 two-step inquiry. See Kobold, 832 F.3d at 1032. First, the court must determine "whether the 13 asserted cause of action involves a right conferred upon an employee by virtue of state law, not 14 by a CBA. If the right exists solely as a result of the CBA, then the claim is preempted, and the 15 analysis ends there." Id. (internal alteration marks omitted). To make this determination, the court 16 "must focus its inquiry on the legal character of a claim[.]" Id. at 1033 (internal quotation marks 17 omitted; emphasis in original). "A claim brought in state court on the basis of a state-law right that is independent of rights under the collective-bargaining agreement, will not be preempted, even 18 19 if a grievance arising from precisely the same set of facts could be pursued." Valles v. Ivy Hill 20 Corp., 410 F.3d 1071, 1076 (9th Cir. 2005) (internal quotation marks omitted).

21 Second, "[i]f the court determines that the right underlying the plaintiff's state law claim(s) 22 exists independently of the CBA, it moves to the second step, asking whether the right is 23 nevertheless substantially dependent on analysis of a collective-bargaining agreement." Kobold, 24 832 F.3d at 1032 (internal quotation marks omitted). This analysis "turns on whether the claim can 25 be resolved by 'looking to' versus interpreting the CBA. If the latter, the claim is preempted; if the former, it is not." Id. at 1033 (internal guotation and alteration marks omitted). "The plaintiff's 26 27 claim is the touchstone for this analysis; the need to interpret the CBA must inhere in the nature 28 of the plaintiff's claim." Cramer v. Consol. Freightways, Inc., 255 F.3d 683, 691 (9th Cir. 2001),

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<u>cert. denied</u>, 534 U.S. 1078 (2002). "[A]lleging a hypothetical connection between the claim and
 the terms of the CBA is not enough to preempt the claim: adjudication of the claim must require
 interpretation of a provision of the CBA." <u>Id.</u> at 691-92.

4 Defendant does not dispute that plaintiff's claims are all grounded in state law. (See Dkt. 5 1-3, FAC; see, generally, Dkt. 1, NOR). Defendant also concedes that the FAC does not, at any 6 point, refer to or rely on any provision of the CBA. (See Dkt. 1, NOR at ¶ 10.e.; see, generally, 7 Dkt. 1-3, FAC). It is well-settled that if a plaintiff's claims are "plainly based on state law, § 301 8 preemption is not mandated simply because the defendant refers to the CBA in mounting a defense." Kobold, 832 F.3d at 1033 (internal alteration marks omitted). To the extent defendant 9 10 relies on a defensive use of the CBA, there is no preemption here. See id.; see also Burnside, 491 F.3d at 1060 ("[R]eliance on the CBA as an aspect of a defense is not enough to 'inject[] a federal 11 12 question into an action that asserts what is plainly a state-law claim."); Humble v. Boeing Co., 305 13 F.3d 1004, 1008 (9th Cir. 2002) ("[D]efensive reliance on the terms of the CBA, mere consultation 14 of the CBA's terms, or a speculative reliance on the CBA will not suffice to preempt a state law 15 claim.").

Despite the fact that plaintiff asserts only state law claims, defendant argues that 16 17 preemption is proper in this case because "his claims are based on and require interpretation of the CBA." (Dkt. 1, NOR at ¶¶ 10.e. & 10.i.-n.). However, defendant merely points to CBA 18 19 provisions that may be relevant to the litigation, but which are neither disputed by the parties nor 20 complex enough to require interpretation as opposed to simple application. (See id. at ¶¶ 10.j.-21 10.n.). "When the parties do not dispute the meaning of contract terms, the fact that a CBA will 22 be consulted in the course of state law litigation does not require preemption." Ward v. Circus 23 Circus Casinos, Inc., 473 F.3d 994, 998 (9th Cir. 2007); see also Livadas v. Bradshaw, 512 U.S. 24 107, 125, 114 S.Ct. 2068, 2079 (1994) (holding that "the mere need to 'look to' the collective-25 bargaining agreement . . . is no reason to hold the state-law claim defeated by § 301"); Burnside, 491 F.3d at 1060 ("[W]e know that neither look[ing] to the CBA merely to discern that none of its 26 27 terms is reasonably in dispute, nor the simple need to refer to [its terms], is enough to warrant 28 preemption.") (internal quotation marks and citations omitted); Acosta v. AJW Const., 2007 WL

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4249852, *4 (N.D. Cal. 2007) (finding action "not preempted by ERISA" where "claims for unpaid
 wages accrued during paid time off . . . require little more than cursory consultation with the
 collective bargaining agreement").

4 For example, defendant asserts that the court will need to "interpret" §§ 3.24 and 3.25 of 5 the CBA "to determine what expenses were 'necessary' or were in response 'to the directions of Defendants[,]" which is related to plaintiff's fourth cause of action alleging failure to reimburse for 6 7 business-related expenses and costs. (See Dkt. 1, NOR at ¶ 10.j.). Section 3.24 provides that 8 "Cable splicer shall furnish only the following in addition to the tools required for journeymen and 9 apprentice wiremen: Shave Hook[,] Ball Peen Hammer[,] Scissors[,] Lead Dresser[,] Cable Knife" 10 and goes on to list 25 other tools. (See Dkt. 2-1, CBA at Art. 3, § 3.24). Section 3.25 provides 11 that the employer shall furnish "all other necessary tools or equipment." (See id. at § 3.25). 12 Defendant does not contend that plaintiff disputes that he was required to provide the listed tools, 13 (see, generally, Dkt. 1, NOR), and the FAC does not suggest that such a dispute exists. (See, 14 generally, Dkt. 1-3, FAC). Even if there was a dispute, the court would only need to make a simple 15 determination as to whether the respective job category applies; no interpretation would be 16 required, and thus preemption is not appropriate. See Ward, 473 F.3d at 998 ("When the parties 17 do not dispute the meaning of contract terms, the fact that a CBA will be consulted in the course of state law litigation does not require preemption."); Livadas, 512 U.S. at 124-25, 114 S.Ct. at 18 19 2079 (concluding that there was not "even a colorable argument" for preemption because whether 20 employer willfully failed to pay wages was "a question of state law, entirely independent of any 21 understanding embodied in the collective-bargaining agreement between the union and the 22 employer"); Burnside, 491 F.3d at 1060; see also Nu Image, Inc. v. International Alliance of 23 Theatrical Stage Employees, 2018 WL 3040126, *5 (9th Cir. 2018) ("[A]bsent some affirmative 24 claim by the plaintiff of a violation of the contract, a district court does not have jurisdiction under 25 section 301(a).") (footnote omitted).

In short, defendant has not identified any disputed terms in the CBA or any terms complex
enough to require interpretation rather than mere application. (See, generally, Dkt. 1, NOR). As
a result, plaintiff's action is not preempted by § 301 of the LMRA.

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1	CONCLUSION
2	Based on the foregoing, IT IS ORDERED THAT:
3	1. The above-captioned action shall be remanded to the Superior Court of the State of
4	California for the County of Los Angeles, 111 North Hill Street, Los Angeles, California 90012, for
5	lack of subject matter jurisdiction pursuant to 28 U.S.C. § 1447(c).
6	2. The Clerk shall send a certified copy of this Order to the state court.
7	Dated this 26th day of June, 2018.
8	/s/
9	Fernando M. Olguin United States District Judge
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