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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SILVIA MERAZ, *et al.*,  
Plaintiffs,  
v.  
NISSAN NORTH AMERICA, INC.,  
*et al.*,  
Defendants.

Case No. 2:24-cv-06061-FLA (ASx)

**ORDER TO SHOW CAUSE WHY  
ACTION SHOULD NOT BE  
REMANDED FOR LACK OF  
SUBJECT MATTER JURISDICTION**

1 **ORDER**

2 Federal courts are courts of “limited jurisdiction,” possessing “only that power  
3 authorized by the Constitution and statute[.]” *Kokkonen v. Guardian Life Ins. Co. of*  
4 *Am.*, 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. District courts are  
5 presumed to lack jurisdiction unless the contrary appears affirmatively from the  
6 record. *See DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006).

7 Additionally, federal courts have an obligation to examine jurisdiction *sua sponte*  
8 before proceeding to the merits of a case. *See Ruhrgas AG v. Marathon Oil Co.*, 526  
9 U.S. 574, 583 (1999).

10 Federal courts have jurisdiction where an action arises under federal law or  
11 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the  
12 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C.  
13 §§ 1331, 1332(a). A complaint filed in federal court must contain “a plausible  
14 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart*  
15 *Cherokee Basin Operating Co., LLC v. Owens*, 574 U.S. 81, 89 (2014). Where a party  
16 contests, or the court questions, a party’s allegations concerning the amount in  
17 controversy, both sides shall submit proof, and the court must decide whether the  
18 party asserting jurisdiction has proven the amount in controversy by a preponderance  
19 of the evidence. *Id.* at 88–89; *see* Fed. R. Civ. P. 12(h)(3) (“If the court determines at  
20 any time that it lacks subject-matter jurisdiction, the court must dismiss the action.”).  
21 “Federal jurisdiction must be rejected if there is any doubt as to the right of removal in  
22 the first instance.” *Gaus v. Miles, Inc.*, 980 F.2d 564, 566 (9th Cir. 1992).

23 The court has reviewed the Notice of Removal and is presently unable to  
24 conclude it has subject matter jurisdiction under 28 U.S.C. § 1332(a). In particular,  
25 and without limitation, the court finds that the allegations in the Notice of Removal do  
26 not demonstrate by a preponderance of the evidence that the amount in controversy  
27 exceeds \$75,000.


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1 The parties are ORDERED TO SHOW CAUSE, in writing only, within  
2 fourteen (14) days from the date of this Order, why this action should not be remanded  
3 for lack of subject matter jurisdiction because the amount in controversy does not  
4 exceed the jurisdictional threshold. The parties are encouraged to submit evidence  
5 and/or judicially noticeable facts in response to the court's Order. Responses shall be  
6 limited to ten (10) pages in length. The parties should consider this Order to be a two-  
7 pronged inquiry into the facial and factual sufficiency of Defendant's demonstration  
8 of jurisdiction. See *Leite v. Crane Co.*, 749 F.3d 1117, 1122 (9th Cir. 2014).

9 As Defendant is the party asserting federal jurisdiction, Defendant's failure to  
10 respond timely and adequately to this Order shall result in remand of the action  
11 without further notice.

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13 IT IS SO ORDERED.

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15 Dated: July 24, 2024

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18 FERNANDO L. AENLLE-ROCHA  
19 United States District Judge  
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