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UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

THE BANK OF NEW YORK MELLON,
et al.,

Plaintiffs,

v.

IQBAL SINGH RANDHAWA and PAUL
RANDHAWA,

Defendants.

No. 2:18-cv-00224-KJM-CKD

ORDER

On February 1, 2018, defendant Iqbal Randhawa¹ removed this unlawful detainer action from the Solano County Superior Court. Removal Notice, ECF No. 5. As explained below, the court REMANDS the case to the Solano County Superior Court.

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¹ The notice of removal erroneously refers to defendant Iqbal Randhawa as “plaintiff.” But as the “Clerk’s notice of docket correction” indicates, defendant Iqbal Randhawa incorrectly filed the removal notice as a new civil case, which inverted the party names. ECF No. 6. The court here uses the proper party designation, and thus refers to Iqbal Randhawa as a defendant.

1 I. STANDARD

2 When a case “of which the district courts of the United States have original
3 jurisdiction” is initially brought in state court, a defendant may remove it to federal court. 28
4 U.S.C. § 1441(a). There are two primary bases for federal subject matter jurisdiction: (1) federal
5 question jurisdiction under 28 U.S.C. § 1331, and (2) diversity jurisdiction under 28 U.S.C.
6 § 1332.

7 Under § 1331, district courts have federal question jurisdiction over “all civil
8 actions arising under the Constitution, laws, or treaties of the United States.” *Id.* § 1331. Under
9 the longstanding well-pleaded complaint rule, a suit “arises under” federal law “only when the
10 plaintiff’s statement of his own cause of action shows that it is based upon [federal law].”
11 *Louisville & Nashville R. Co. v. Mottley*, 211 U.S. 149, 152 (1908). Federal question jurisdiction
12 cannot rest upon an actual or anticipated defense or counterclaim. *Vaden v. Discover Bank*, 556
13 U.S. 49, 60 (2009).

14 Under § 1332, district courts have diversity-of-citizenship jurisdiction where the
15 amount in controversy exceeds \$75,000 and the parties are in complete diversity. 28 U.S.C.
16 § 1332. “Where it is not facially evident from the complaint that more than \$75,000 is in
17 controversy, the removing party must prove, by a preponderance of the evidence, that the amount
18 in controversy meets the jurisdictional threshold.” *Matheson v. Progressive Specialty Ins. Co.*,
19 319 F.3d 1089, 1090 (9th Cir. 2003) (per curiam).

20 A federal district court may remand a case *sua sponte* where a defendant has not
21 established federal jurisdiction. *See* 28 U.S.C. § 1447(c) (“If at any time before final judgment it
22 appears that the district court lacks subject matter jurisdiction, the case shall be remanded”);
23 *Enrich v. Touche Ross & Co.*, 846 F.2d 1190, 1195 (9th Cir. 1988) (citing *Wilson v. Republic*
24 *Iron & Steel Co.*, 257 U.S. 92, 97 (1921)).

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1 II. DISCUSSION

2 Here, defendant's Notice of Removal asserts the court has federal question
3 jurisdiction under § 1331 because "[r]esolution of the right of possession of the Property, and title
4 to it, turns . . . on the interpretation and application of federal law and should be determined in
5 this forum." Removal Notice at 2. The complaint plaintiffs filed in state court, however, asserts
6 only a claim for unlawful detainer, a matter of state law. *See* Compl., Ex. 1, ECF No. 5 at 5-6.

7 As explained above, defendant's answer or counterclaim cannot serve as the basis
8 for federal question jurisdiction. *Vaden*, 556 U.S. at 60. Plaintiffs are the master of the complaint
9 and may, as here, "avoid federal jurisdiction by pleading solely state-law claims." *Valles v. Ivy*
10 *Hill Corp.*, 410 F.3d 1071, 1075 (9th Cir. 2005). Because plaintiffs' complaint does not show it
11 is based upon federal law, the court does not have federal question jurisdiction over the action.

12 Neither does the court appear to have diversity jurisdiction. Plaintiffs' complaint
13 is a "limited civil case" with an amount demanded that "does not exceed \$10,000." Compl. at 1.
14 Plaintiffs seek restitution and possession of the premises and unpaid rental value of \$38.87 per
15 day for each day from August 10, 2017 until the date of judgment. *Id.* at 3. Because these
16 damages are not likely to total more than \$75,000, and defendant has provided no other evidence
17 or allegations as to the amount in controversy, the court cannot exercise diversity jurisdiction over
18 the action.

19 III. CONCLUSION

20 The court has found no proper basis to exercise subject matter jurisdiction over
21 this case. The case is therefore REMANDED to the Solano County Superior Court. *Cf.*
22 *Matheson*, 319 F.3d at 1090 ("Where doubt regarding the right to removal exists, a case should be
23 remanded to state court.").

24 IT IS SO ORDERED.

25 DATED: February 12, 2018.

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UNITED STATES DISTRICT JUDGE