## UNITED STATES DISTRICT COURT 1 2 DISTRICT OF NEVADA 3 Ji Pagsisihan, 4 2:16-cv-00072-JAD-VCF Order Granting Motion to Remand, Denying Motion to Dismiss as Moot, 5 Plaintiff 6 **Remanding Case Back to Nevada State** v. Court, and Vacating Hearing 7 Allstate Indemnity Company, 8 Defendant [ECF 4, 9] 9 10 Ji Pagsisihan sues her insurer Allstate Indemnity Company for a handful of state-law claims, alleging that Allstate failed to adequately investigate her claim for medical and underinsured 11 12 motorist coverage after a January 2014 car accident.<sup>1</sup> Allstate removed the case from state court based on diversity of citizenship.<sup>2</sup> Pagsisihan moves to remand, arguing that the Allstate has not 13 demonstrated that the amount-in-controversy requirement has been met.<sup>3</sup> Because Allstate has not 14 shown by a preponderance of the evidence that the amount in controversy exceeds \$75,000, I grant 15 16 Pagsisihan's motion and remand this case back to Nevada's Eighth Judicial District Court, case no. A-15-728656-C.<sup>4</sup> I also deny Allstate's motion to dismiss<sup>5</sup> as moot and vacate the hearing. 17 18 **Background** In January 2014, Pagsisihan sustained permanent bodily injuries in a car accident, and 19 20 21 22 <sup>1</sup> ECF 1-1. 23 <sup>2</sup> ECF 1. 24 <sup>3</sup> ECF 9. 25 26 <sup>4</sup> I find this motion appropriate for resolution without oral argument. L.R. 78-2. 27 <sup>5</sup> ECF 4. 28 <sup>6</sup> ECF 1-1 at ¶ 6.

demanded that Allstate pay her underinsured-policy limits of \$50,000.<sup>7</sup> But despite her \$40,500.03 in medical expenses, Pagsisihan alleges that Allstate responded with a settlement offer of just \$6,000.<sup>8</sup> Pagsisihan asserts four claims: (1) breach of contract, (2) breach of the implied covenant of good faith and fair dealing, (3) Nevada Trade Practicess Act violations, and (4) intentional infliction of emotional distress.<sup>9</sup> In her prayer for relief, Pagsisihan claims general damages in excess of \$10,000; special damages in excess of \$10,000; and punitive damages in excess of \$10,000.<sup>10</sup>

In its petition for removal, Allstate invokes this court's diversity jurisdiction. Allstate argues that the amount in controversy exceeds \$75,000 because Pagsisihan claims \$40,500 in medical damages and has "demanded full policy limits of \$50,000, general damages, special damages, attorney costs and fees, damage for emotional distress, and punitive damages." Pagsisihan moves to remand, arguing that the only amount in controversy Allstate can show is \$60,00.01: \$50,000 in contractual damages (Pagsisihan's policy limits) and \$10,000.01 for the bad faith/unfair-claims-handling claims.

## Discussion

## A. Motion to Remand

When a case is filed in state court between parties who are citizens of different states, and the case value exceeds \$75,000, the defendant may remove the case to federal court.<sup>13</sup> "Federal courts are courts of limited jurisdiction,"<sup>14</sup> and there is a strong presumption against removal jurisdiction.

<sup>7</sup> *Id.* at ¶¶ 9–10.

21 8 *Id.* at ¶ 13.

<sup>9</sup> *Id.* at 5–7.

<sup>10</sup> *Id.* at 8.

25 CF 1 at 2.

<sup>12</sup> ECF 9 at 2.

<sup>13</sup> 28 U.S.C. §§ 1332, 1441, 1446.

<sup>14</sup> Kokkonen v. Guardian Life Ins. Co. of America, 511 U.S. 375, 377 (1994).

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<sup>16</sup> *Id*.

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"[F]ederal jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance."<sup>15</sup> The defendant always has the burden of establishing that removal is proper.<sup>16</sup> This burden is usually satisfied if the plaintiff claims a sum greater than the threshold requirement.<sup>17</sup> If the value of plaintiff's claim is unclear, the defendant must prove by a preponderance of the evidence that the jurisdictional amount has been met.<sup>18</sup> Defendants may rely on facts presented in the removal petition and any summary-judgment-type evidence that is related to the amount in controversy.<sup>19</sup>

## B. Remand is required because Allstate has not shown that the amount in controversy exceeds \$75,000.

The face of the complaint does not show that Pagsisihan claims damages in excess of \$75,000. Pagsisihan claims damages in excess of \$30,000 for general, special, and punitive damages. Because Pagsisihan does not explicitly claim damages in excess of \$75,000, Allstate must prove by a preponderance of the evidence that the jurisdictional amount has been met.<sup>20</sup>

Pagsisihan alleges in her complaint—and Allstate offers no evidence to dispute—that she has incurred \$40,500.03 in medical expenses and that her policy limit is \$50,000. Thus, Allstate has shown, at most, only \$70,000 in damages: \$50,000 in special damages (assuming that Pagsisihan is entitled to the full policy amount), and in excess of \$20,000 for general and punitive damages. Allstate offers no evidence to show that Pagsisihan's general and punitive damages exceed \$20,000.01, so I am left with the amounts alleged in the complaint. Because Allstate has not offered evidence showing that the amount in controversy more likely than not exceeds \$75,000, I grant Pagsisihan's motion to remand.

<sup>&</sup>lt;sup>15</sup> Gaus v. Miles, 980 F.2d 564, 566 (9th Cir. 1992).

<sup>&</sup>lt;sup>17</sup> Id. (citing St. Paul Mercury Indem. Co. v. Red Cab Co., 303 U.S. 283, 288–99 (1938)).

<sup>&</sup>lt;sup>18</sup> *Id.*; see also Sanchez v. Monumental Life Ins. Co., 102 F.3d 395, 404 (9th Cir. 1996).

<sup>&</sup>lt;sup>19</sup> Matheson v. Progressive Specialty Ins. Co., 319 F.3d 1089, 1090 (9th Cir. 2003).

<sup>&</sup>lt;sup>20</sup> Valdez v. Allstate Ins. Co., 372 F.3d 1115, 1117 (9th Cir. 2004) (internal citations omitted); see also Sanchez, 102 F.3d at 404.

**Conclusion** Accordingly, IT IS HEREBY ORDERED that plaintiff's Motion to Remand [ECF 9] is **GRANTED**. This case is hereby remanded to the Eighth Judicial District Court, Clark County, Nevada, Case number A-15-728656-C. IT IS FURTHER ORDERED that defendant's Motion to Dismiss [ECF 4] is DENIED as moot; the hearing set for March 7, 2016, is VACATED. Dated this 4th day of March, 2016. United States District Judge