

1 UNITED STATES DISTRICT COURT
2 DISTRICT OF NEVADA

3 MICHAEL CHANG,)
4)
5 Plaintiff,)
6 vs.)
7 RICKY NOH, et al.,)
8 Defendants.)

Case No.: 2:18-cv-00495-GMN-CWH

ORDER

9
10 On August 27, 2018, the Court issued an Order, (ECF No. 42), instructing Plaintiff to
11 "show cause as to why the Court should not dismiss this action for failure to satisfy the
12 requirements of subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 or 1332." (Id.). On
13 September 5, 2018, Plaintiff and Defendants filed Responses, (ECF Nos. 43, 44).

14 Federal courts are courts of limited jurisdiction, having subject matter jurisdiction only
15 over matters authorized by the Constitution and Congress. See Bender v. Williamsport Area
16 Sch. Dist., 475 U.S. 534, 541 (1986). The basic statutory grants of subject matter jurisdiction
17 are contained in 28 U.S.C. § 1331, which provides for federal question jurisdiction, and § 1332,
18 which provides for diversity jurisdiction. Arbaugh v. Y&H Corp., 546 U.S. 500, 513 (2006).
19 Section 1331 provides that federal district courts have original jurisdiction over "civil actions
20 arising under the Constitution, laws, or treaties of the United States." 28 U.S.C. § 1331. Under
21 § 1332, diversity jurisdiction is established if an action is between parties of diverse citizenship
22 and the amount in controversy exceeds \$75,000. See 28 U.S.C. § 1332(a).

23 Here, Plaintiff's two causes of action for alter ego liability and successor liability arise
24 under state law. (See Compl. ¶¶ 32-69); see also Village Builders 96, L.P. v. U.S. Labs, Inc.,
25 112 P.3d 1082, 1086-87 (Nev. 2005); Deal v. 999 Lakeshore Ass'n, 579 P.2d 775, 779 (Nev.
1978). Therefore, the Court is without federal question jurisdiction under § 1331. With respect

1 to diversity jurisdiction, Plaintiff and Defendant Ricky Noh are residents of California. (See
2 Compl. ¶ 7, ECF No. 1; Acknowledgment of Assignment of J. ¶ 7, Ex. D to Compl., ECF No.
3 1-4); see also Chang v. Noh, No. 2:17-cv-06205-RGK-JC (C.D. Cal. Aug. 22, 2017) (Compl. ¶
4 3, ECF No. 1). Further, the two other Defendants to this action, MC Crew, Ltd. and The Style
5 N, Inc., are corporations organized under California law and have their principal places of
6 business in California. (See Compl. ¶¶ 8–9). Therefore, because all the parties to this action are
7 California residents for jurisdictional purposes, the Court does not have diversity jurisdiction
8 over this action.


9 Based on the foregoing, the Court finds that it has neither federal question nor diversity
10 jurisdiction over this instant case.¹

11 Accordingly,

12 **IT IS HEREBY ORDERED** that this case is dismissed for lack of subject matter
13 jurisdiction.

14 The Clerk of the Court is instructed to close the case.

15 **DATED** this 6 day of September, 2018.

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19 _____
20 Gloria M. Navarro, Chief Judge
21 United States District Judge
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23
24 ¹ Plaintiff requests that the Court transfer the instant action to the Central District of California and issue a
25 declaration on the merits of its alter ego claim. (See Resp. to Order to Show Cause 2:12–15, ECF No. 44). The
Court denies this request as it is without subject matter jurisdiction over this action. See, e.g., Orff v. United
States, 358 F.3d 1137, 1149 (9th Cir. 2004) (“If jurisdiction is lacking at the outset, the district court has ‘no
power to do anything with the case except dismiss.’”) (quoting Morongo Band of Mission Indians v. Cal. State.
Bd. of Equalization, 858 F.2d 1376, 1380 (9th Cir. 1988)).