

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

JESSICA WHITE,

Plaintiff,

v.

**AMICA LIFE INSURANCE
COMPANY and LADDER INSURANCE
SERVICES, LLC,**

Defendants.

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Civil Action No. **3:26-CV-695-L**

ORDER

Plaintiff Jessica White (“Plaintiff”) filed this insurance action against Defendants Amica Life Insurance Company and Ladder Insurance Services, LLC (“Defendants”) on January 12, 2026, and the action was removed to federal court on March 4, 2026. For the reasons herein explained, the court *sua sponte* **remands** this action to the 439th Judicial District, Rockwall County, Texas, for lack of subject matter jurisdiction.

A federal court has subject matter jurisdiction over civil cases “arising under the Constitution, laws, or treaties of the United States,” and over civil cases in which the amount in controversy exceeds \$75,000, exclusive of interest and costs, and in which diversity of citizenship exists between the parties. 28 U.S.C. §§ 1331, 1332. Federal courts may also exercise subject matter jurisdiction over a civil action removed from a state court. Unless Congress provides otherwise, a “civil action brought in a State court of which the district courts of the United States have original jurisdiction, may be removed by the defendant or defendants, to the district court of the United States for the district and division embracing the place where such action is pending.” 28 U.S.C. § 1441(a).

Federal courts are courts of limited jurisdiction and must have statutory or constitutional power to adjudicate a claim. *Kokkonen v. Guardian Life Ins. Co.*, 511 U.S. 375, 377 (1994) (citations omitted); *Home Builders Ass’n of Miss., Inc. v. City of Madison*, 143 F.3d 1006, 1010 (5th Cir. 1998). Absent jurisdiction conferred by statute or the Constitution, they lack the power to adjudicate claims and must dismiss an action if subject matter jurisdiction is lacking. *Id.* Federal courts must presume that an action lies outside its limited jurisdiction. *Kokkonen*, 511 U.S. at 377 (citations omitted). A federal court also has an independent duty, at any level of the proceedings, to determine whether it properly has subject matter jurisdiction over a case, *Ruhgras AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999), and it may raise the issue *sua sponte*. *McDonal v. Abbott Labs.*, 408 F.3d 177, 182 n.5 (5th Cir. 2005).

The burden of establishing that the court has subject matter jurisdiction to entertain an action rests with the party asserting jurisdiction. *Kokkonen*, 511 U.S. at 377 (citations omitted); *St. Paul Reinsurance Co., Ltd. v. Greenberg*, 134 F.3d 1250, 1253 (5th Cir. 1998) (“The burden of establishing subject matter jurisdiction in federal court rests on the party seeking to invoke it.”) (footnote and citation omitted). “[T]he basis upon which jurisdiction depends must be alleged affirmatively and distinctly and cannot be established argumentatively or by mere inference.” *Getty Oil Corp. v. Insurance Co. of N. Am.*, 841 F.2d 1254, 1259 (5th Cir. 1988) (citation omitted). Failure to allege adequately the basis of diversity mandates remand of an action. *See Stafford v. Mobil Oil Corp.*, 945 F.2d 803, 805 (5th Cir. 1991). Courts must also construe all doubts regarding the propriety of removal strictly in favor of remand. *Manguno v. Prudential Prop. & Cas. Ins. Co.*, 276 F.3d 720, 723 (5th Cir. 2002).

Diversity of citizenship exists between the parties only if each plaintiff has a different citizenship from each defendant. *Getty Oil Corp.*, 841 F.2d at 1258. A natural person is considered

a citizen of the state where he or she is domiciled, that is, where the person has a fixed residence with the intent to remain there indefinitely. *See Freeman v. Northwest Acceptance Corp.*, 754 F.2d 553, 555-56 (5th Cir. 1985). “For diversity purposes, citizenship means domicile; mere residence in [a] [s]tate is not sufficient.” *Preston v. Tenet Healthsystem Mem’l Med. Ctr., Inc.*, 485 F.3d 793, 799 (5th Cir. 2007) (citation and quotation marks omitted). “Domicile requires residence in [a] state and an intent to remain in the state.” *Id.* at 798 (citation omitted). Thus, while citizenship is synonymous with domicile, it is not synonymous with residency because individuals can have more than one residence. *See MidCap Media Fin., L.L.C. v. Pathway Data, Inc.*, 929 F.3d 310, 313 (5th Cir. 2019) (“**[C]itizenship and residence, as often declared by this court, are not synonymous terms.** Citizenship requires not only ‘[r]esidence in fact’ but also ‘the purpose to make the place of residence one’s home.’”) (emphasis added and citation omitted). This is not a new concept or rule of law. Over seventy years ago, the Fifth Circuit noted that “[r]esidence alone is not the equivalent of citizenship.” *Stine v. Moore*, 213 F.2d 446, 448 (5th Cir. 1954). As recently reaffirmed by the Fifth Circuit, a mere allegation of residency “does not satisfy the requirement of an allegation of citizenship.” *SXSW, L.L.C. v. Federal Ins. Co.*, 83 F.4th 405, 407 (5th Cir. 2023) (quoting *Strain v. Harrelson Rubber Co.*, 742 F.2d 888, 889 (5th Cir. 1984)).

Additionally, the party seeking to establish jurisdiction based on diversity “must offer more than conclusory statements” to establish citizenship, *Preston*, 485 F.3d at 803, which can be determined by consideration of a number of factors.* Even if the parties agree that a plaintiff or defendant is a citizen of a particular state, which is a legal conclusion, “subject-matter jurisdiction

* In *Coury v. Prot*, the Fifth Circuit explained that, in determining a person’s domicile, courts “must address a variety of factors” with “[n]o single factor [being] determinative.” 85 F.3d 244, 251 (5th Cir. 1996). These “factors may include the places where the litigant exercises civil and political rights, pays taxes, owns real and personal property, has driver’s and other licenses, maintains bank accounts, belongs to clubs and churches, has places of business or employment, and maintains a home for his family.” *Id.* (citations omitted).

cannot be created by waiver or consent.” *Howery v. Allstate Ins. Co.*, 243 F.3d 912, 919 (5th Cir. 2001). Parties can admit or stipulate to facts underlying the existence of jurisdiction, but they cannot consent to jurisdiction. *Durbois v. Deutsche Bank Nat’l Tr. Co. as Tr. of Holders of AAMES Mortg. Inv. Tr. 20054 Mortg. Backed Notes*, 37 F.4th 1053, 1060 (5th Cir. 2022) (citing *Railway Co. v. Ramsey*, 89 U.S. 322, 327 (1874)) (other citations omitted).

Defendants removed this action to federal court, alleging that subject matter jurisdiction exists because there is complete diversity of citizenship between the parties, and the amount in controversy exceeds \$75,000. Regarding Plaintiff’s citizenship, Defendants allege that Plaintiff is “an individual residing in Rockwall, County, Texas.” Doc. 1 ¶ 5. For support, Defendants cite page one of Plaintiff’s Petition, in which Plaintiff similarly alleges that she is a resident of Rockwall County, Texas. As Defendants’ Notice of Removal recognizes, an individual’s citizenship turns on the state where the person is domiciled, not the state where the person resides.

Thus, the residency allegations in the Notice of Removal and Plaintiff’s Petition are insufficient to establish the citizenship of Plaintiff, and there are no additional factual allegations in either document from which the court can ascertain Plaintiff’s citizenship to confirm whether there is complete diversity of citizenship. Additionally, while Defendants allege that diversity exists because Plaintiff is a citizen of Texas, and Defendants are citizens of different states, such allegations are too conclusory to satisfy their burden of establishing diversity. *See Preston*, 485 F.3d at 803 (explaining that the party seeking to establish jurisdiction based on diversity of citizenship “must offer more than conclusory statements” to establish citizenship).

In the past, this court has issued numerous notices of jurisdictional deficiency to give parties a chance to cure deficiencies such as this. Doing so, however, unnecessarily consumes scarce judicial resources to address a jurisdictional deficiency that, as noted, involves the

straightforward and well-established rule of law that the residency of an individual is not synonymous with domicile or citizenship because individuals can have multiple residences. Moreover, alleging sufficient facts to establish a person's citizenship is not a complex undertaking and usually involves information that is readily obtainable with little effort. *See Coury*, 85 F.3d at 251. For these reasons and because it is not incumbent on the court to educate litigants regarding such well-established rules of law, the court **declines** to give Defendants an opportunity to cure this deficiency.

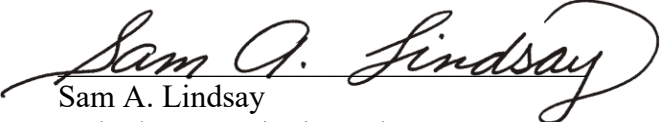
Defendants' jurisdictional allegations regarding Ladder Insurance Services, LLC are also deficient. Defendants acknowledge that the citizenship of a limited liability company is based on the citizenship of each of the limited liability company's members, not its state of organization or the place(s) where it does business. *See* Doc. 1 at 4 (citing *See Harvey v. Grey Wolf Drilling Co.*, 542 F.3d 1077, 1080 (5th Cir. 2008)). Defendants, however, then go on to allege that Ladder Insurance Services, LLC is a citizen of California because it is a foreign corporation "with its principal address" in California as reflected in its Articles of Incorporation in the State of California. The Articles of Incorporation of Ladder Insurance Services, LLC, though, reflect that it is a limited liability company, not a corporation.

Even if it were a corporation, Defendants' allegation regarding the "principal address" for Ladder Insurance Services, LLC would not suffice, because a corporation is a "citizen of every State . . . by which it has been incorporated and of the State . . . where it has its *principal place of business*["]." 28 U.S.C. § 1332(c)(1); *see also Hertz Corp. v. Friend*, 559 U.S. 77, 92-93 (2010) (explaining meaning of "principal place of business") (emphasis added). For this reason, and because no information was provided from which the court can identify each member of Ladder Insurance Services, LLC and determine the citizenship of each member, Defendants have not

established the citizenship of Ladder Insurance Services, LLC as required to demonstrate the existence of complete diversity.

As Defendants have failed to satisfy their burden as the removing parties of establishing the existence subject matter jurisdiction based on diversity, the court must presume that this action lies outside its limited jurisdiction and remand the action to state court. *See Kokkonen*, 511 U.S. at 377 (citations omitted); *Manguno*, 276 F.3d at 723. Accordingly, the court *sua sponte* **remands** this action for lack of subject matter jurisdiction to the 439th Judicial District, Rockwall County, Texas, from which it was removed, and it **directs** the clerk of the court to effect the remand in accordance with the usual procedure.

It is so ordered this 5th day of March, 2026.


Sam A. Lindsay
United States District Judge