

CLASS ACTION BLOG

CAFA Jurisdiction Retained After Class Certification Motion Denied

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Coba filed a class action suit in federal court alleging that Ford violated multiple common law and statutory requirements by selling him a truck with a fuel tank lining that delaminated. The court granted Ford partial summary judgment and denied Coba's motion to certify a class and, later, granted summary judgment to Ford on the only remaining theory. The only issue we will discuss here was the question before the Third Circuit: whether the district court retained jurisdiction after class certification was denied.

The Third Circuit rejected Coba's claim that the district court lost jurisdiction once it denied his class certification motion. The court identified the issue as whether a federal court which properly exercised jurisdiction when the "claim [was] filed or removed, does a subsequent denial of class certification divest the court of subject-matter jurisdiction?" The Third Circuit joined with "every other circuit court to address this question" by concluding that the district court retained jurisdiction.

The Third Circuit's analysis was initially based on a textual review of the operative statute, 28 U.S.C. § 1332(d)(2), which gives district courts original jurisdiction over "class action[s]" defined as "civil action[s] filed under [R]ule 23 ... or [a] similar State statute or rule." Under § 1332(d)(2), Coba's suit filed under Rule 23 provided jurisdiction to the district court even though thereafter Coba's motion to certify was denied. The fact that the Second, Fifth, Sixth, Seventh, Eighth, Ninth, and Eleventh Circuits had previously arrived at a similar conclusion supported the Third Circuit's ruling. In addition to CAFA's text, the court noted the general federal jurisdictional rule that jurisdiction is determined at the time of the filing or removal of the case, "not by subsequent events." Even if that subsequent event is the denial of a class certification motion, as a general rule that subsequent ruling would not divest the district court of jurisdiction. There are exceptions to that general rule, but none of those exceptions applied in the *Coba* case.

Coba is important to class action litigators because it demonstrates that the Third Circuit is aligning with its sister circuit courts of appeal in finding that the denial of the class certification motion does not divest district courts of CAFA jurisdiction.

Case Citation: *Coba v. Ford Motor Company* 932 F.3d 114 (3rd Cir. 2019)