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**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA**

ROSENDO MANZANAREZ, *individually  
and on behalf of all others similarly  
situated,*

Plaintiff,

v.

MADERA COLLECTION SERVICES,

Defendant.

Case No. 1:23-cv-00258-JLT-EPG

ORDER *SUA SPONTE* DISMISSING ACTION  
FOR LACK OF ARTICLE III STANDING;  
DENYING DEFENDANT’S MOTION TO  
DISMISS AS MOOT

(Doc. 8)

Rosendo Manzanrez brings this putative class action lawsuit against Defendant Madera Collection Services for its alleged violations of the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692, *et seq.*, in sending Plaintiff an undated collection of debt letter. Pending is Defendant’s Motion to Dismiss. (Doc. 8.) For the reasons set forth below, the Court *sua sponte* determines that Plaintiff lacks Article III standing to prosecute this case. Defendant’s motion is therefore **DENIED AS MOOT** and Plaintiff’s Complaint is **DISMISSED WITHOUT PREJUDICE**.

**I. FACTUAL AND PROCEDURAL BACKGROUND**

This case arises out of an allegedly unpaid debt that Plaintiff owed to Valley Diagnostics for medical services underwent by Plaintiff. (Doc. 1 at ¶¶ 21–22.) After Plaintiff failed to pay its debt, Valley contracted with Madera to collect. (*Id.* at ¶ 24.) Madera is a collection services

1 agency, (*id.* at ¶ 25), which at some point in time, sent Plaintiff an undated collection letter  
2 regarding the debt that he owed to Valley. (*Id.* at ¶ 26.) “Despite the fact that the Letter lacks a  
3 date, the Letter states” how much Plaintiff owed as of “today” and “now.” (*Id.* at ¶¶ 28–29.)

4 Due to the undated nature of the letter, Plaintiff alleges that he was “misled as to the status  
5 of the subject date,” that “Letters that lack a date make them seem illegitimate,” that Madera’s  
6 attempt to “define the subject debt based on a nebulous date was suspicious, misleading, and out  
7 of character for a legitimate debt collection,” which “cast a negative shadow over its debt  
8 collection practice in general,” and that the undated nature of the letter “caused Plaintiff to be  
9 unable to determine whether the time frames provided for responding to the Letter met the  
10 statutory requirements” under the FDCPA. (*Id.* at ¶¶ 30–35.) Additionally, Plaintiff alleges that  
11 withholding a date on the letter equated to Madera withholding “a material term from Plaintiff  
12 which made it confusing for him to understand the nature of the subject debt.” (*Id.* at ¶¶ 36, 83.)  
13 Plaintiff asserts that Madera’s collection attempts appear “to improperly extort money from  
14 Plaintiff and coerce Plaintiff to pay.” (*Id.* at ¶ 46.)

15 Furthermore, Plaintiff claims that Madera “failed to properly advise Plaintiff as to how  
16 interest would or could impact the account moving forward,” and failed to inform Plaintiff that  
17 the amount of debt represented in the dunning letter “will increase over time, thus misstating the  
18 total amount and the character of the debt allegedly owed.” (*Id.* at ¶¶ 48–49.) Plaintiff therefore  
19 alleges that he “incurred an informational injury as Defendant misstated the balance due by  
20 failing to include the fact that interest would continue to accrue from the date of the Letter and  
21 forward.” (*Id.* at ¶ 64.) Due to this alleged confusion, Plaintiff represents that he “was therefore  
22 unable to make payment on the debt,” and “would have pursued a different course of action were  
23 it not for [ ] Madera’s violations.” (*Id.* at ¶¶ 71, 84, 85.) Essentially, Plaintiff represents that  
24 Madera’s improper, undated dunning letter “caused the non-payment,” resulting in Plaintiff’s  
25 “financial and reputational detriment.” (*Id.* at ¶¶ 88.)

26 On February 20, 2023, Plaintiff filed this lawsuit against Madera on behalf of his putative  
27 class of all individuals residing in California that received an undated collection letter from  
28 Madera. (*Id.* at ¶¶ 11(a)–(f).) Arising out of this incident, Plaintiff asserts three causes of action

1 under the FDCPA. (*Id.* at 17–20.) Defendant filed its pending motion to dismiss for failure to  
2 state a claim, (Doc. 8), which the parties fully briefed thereafter. (Docs. 16, 17.)

## 3 II. LEGAL STANDARD

### 4 A. Subject-Matter Jurisdiction: Article III Standing

5 “Federal courts are courts of limited jurisdiction,’ possessing ‘only that power authorized  
6 by Constitution and statute.’” *Gunn v. Minton*, 568 U.S. 251, 256 (2013) (quoting *Kokkonen v.*  
7 *Guardian Life Ins. Co. of Am.*, 511 U.S. 375, 377 (1994)); *Exxon Mobil Corp. v. Allapattah*  
8 *Servs., Inc.*, 545 U.S. 546, 552 (2005). As such, “[i]t is to be presumed that a cause lies outside  
9 this limited jurisdiction. . . and the burden of establishing the contrary rests upon the party  
10 asserting jurisdiction.” *Kokkonen*, 511 U.S. at 377 (internal citations omitted); *Advanced*  
11 *Integrative Med. Sci. Inst., PLLC v. Garland*, 24 F.4th 1249, 1256 (9th Cir. 2022) (same).

12 It is well-established that Article III “[s]tanding is a constitutional requirement for the  
13 exercise of subject matter jurisdiction over disputes in federal court.” *Tailford v. Experian Info.*  
14 *Sols., Inc.*, 26 F.4th 1092, 1099 (9th Cir. 2022) (citing *Spokeo v. Robins*, 578 U.S. 330, 339  
15 (2016)). Thus, even where the defendant fails to raise or challenge a claim or Complaint for lack  
16 of standing, “federal courts have a duty to raise, sua sponte, questions of standing before  
17 addressing the merits” of any claim. *Iten v. Los Angeles*, 81 F.4th 979, 984 (9th Cir. 2023) (citing  
18 *Steel Co. v. Citizens for a Better Env’t*, 523 U.S. 83, 94 (1998)); *Jones v. L.A. Cent. Plaza LLC*,  
19 74 F.4th 1053, 1058 (9th Cir. 2023) (“[A] jurisdictional issue such as Article III standing may be  
20 raised *sua sponte* by the court at any time.”) (citation omitted); *see also* Fed. R. Civ. P. 12(h)(3)  
21 (requiring that “the court must dismiss the action” if it “determines at any time that it lacks  
22 subject-matter jurisdiction.”).

23 Article III of the Constitution limits the Court’s authority to resolving “Cases” or  
24 “Controversies.” U.S. CONST., art. III, § 2. “The doctrine of standing, among others, implements  
25 this limit on [the Court’s] authority.” *Dep’t of Educ. v. Brown*, 600 U.S. 551, 561 (2023) (internal  
26 quotation marks and citation omitted). The Supreme Court “has established that the irreducible  
27 constitutional minimum of standing contains three elements that a plaintiff must plead and—  
28 ultimately—prove.” *Id.* (internal quotation marks and citation omitted). “First, the plaintiff must

1 have suffered an injury in fact that is both concrete and particularized and actual or imminent, not  
2 conjectural or hypothetical.” *Id.* (internal quotation marks and citation omitted). “Second, the  
3 plaintiff’s injury must be fairly traceable to the challenged action of the defendant, meaning that  
4 there must be a causal connection between the injury and the conduct complained of.” *Id.*  
5 (internal quotation marks and citation omitted). “Third, it must be likely, as opposed to merely  
6 speculative, that the injury will be redressed by a favorable decision.” *Id.* (internal quotation  
7 marks and citation omitted).

8 “‘The party invoking federal jurisdiction bears the burden of establishing’ the [three]  
9 elements of standing, and ‘each element must be supported in the same way as any other manner  
10 on which the plaintiff bears the burden of proof, *i.e.*, with the manner and degree of evidence  
11 required at the successive stages of the litigation.’” *Meland v. WEBER*, 2 F.4th 838, 843 (9th Cir.  
12 2021) (quoting *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 561 (1992)). “And standing is not  
13 dispensed in gross; rather, plaintiffs must demonstrate standing for each claim that they press and  
14 for each form of relief that they seek (for example, injunctive relief and damages).” *TransUnion*  
15 *LLC v. Ramirez*, 594 U.S. 413, 430–31 (2021) (parenthetical in original) (citations omitted).

### 16 **III. DISCUSSION**

17 While neither party has offered arguments regarding whether Plaintiff’s injuries establish  
18 Article III, constitutional standing, the Court will do so on its own accord. *Iten*, 81 F.4th at 984;  
19 *Jones*, 74 F.4th at 1058; Fed. R. Civ. P. 12(h)(3).

#### 20 **A. Concrete Injury**

21 Prior to the Supreme Court’s decision in *TransUnion LLC v. Ramirez*, 594 U.S. 413  
22 (2021), courts within this Circuit, including, occasionally, the Ninth Circuit itself, held that a  
23 violation of the FDCPA’s statutorily conferred rights constituted a cognizable Article III injury in  
24 and of itself. *See, e.g., Tourgeman v. Collins Fin. Servs., Inc.*, 755 F.3d 1109, 1116 (9th Cir.  
25 2014) (“Although Tourgeman could not have suffered any pecuniary loss or mental distress as the  
26 result of a letter that he did not encounter until months after it was sent . . . the injury he claims to  
27 have suffered was the violation of his right not to be the target of misleading debt collection  
28 communications. The alleged violation of this statutory right . . . constitutes a cognizable injury

1 under Article III.”); *Martinez v. Integrated Cap. Recovery, LLC*, 513 F. Supp. 3d 1219, 1225  
2 (E.D. Cal. 2021) (“This Court agrees that a violation of the FDCPA can constitute a cognizable  
3 injury sufficient for standing.”); *but see Adams v. Skagit Bonded Collectors, LLC*, 836 F. App’x  
4 544, 546 n.1 (9th Cir. 2020).

5 In June 2021, the Supreme Court issued its Opinion in *TransUnion*, clarifying that a  
6 concrete injury is one that causes either a “physical or monetary injury to the plaintiff,” or  
7 alternatively, if intangible, then it bears “a close relationship to harms traditionally recognized as  
8 providing a basis for lawsuits in American courts.” 594 U.S. at 425. “Those include, for  
9 example, reputational harms, disclosure of private information, and intrusion upon seclusion,” as  
10 well as harms “specified by the Constitution itself.” *Id.* In enacting a federal statute, Congress  
11 “may elevate to the status of legally cognizable injuries concrete, *de facto* injuries that were  
12 previously inadequate in law,” but Congress “may not simply enact an injury into existence, using  
13 its lawmaking power to transform something that is not remotely harmful into something that is.”  
14 *Id.* at 425–26 (internal quotation marks and citation omitted). In other words, “Article III  
15 standing [still] requires a concrete injury even in the context of a statutory violation,” and  
16 “Congress’s creation of a statutory prohibition or obligation and a cause of action does not relieve  
17 courts of their responsibility to independently decide whether a plaintiff has suffered a concrete  
18 harm under Article III[.]” *Id.* at 426. Thus, simply because Congress enacted the FDCPA, and  
19 Defendant has allegedly violated the statute, Plaintiff *still* bears the burden of demonstrating that  
20 he suffered a concrete injury. *Id.*

21 For this reason, the Court must agree with the three unanimous decisions stemming from  
22 the Southern District of New York—all confronted with nearly identical factual allegations to the  
23 present case—and all holding that the plaintiffs failed to demonstrate Article III injuries over their  
24 alleged emotional, financial, and reputational injuries, including their allegations of stress,  
25 anxiety, and confusion over receiving an undated collection letter. *See Merced v. Resurgent Cap.*  
26 *Servs., L.P.*, No. 22-CV-08327 (ALC), 2024 WL 1076519, at \*3–\*4 (S.D.N.Y. Mar. 12, 2024)  
27 (Carter, J.); *Braver v. Diversified Adjustment Serv., Inc.*, No. 7:22-CV-9390 (NSR), 2023 WL  
28 8435825, at \*2–\*5 (S.D.N.Y. Dec. 5, 2023) (Román, J.); *Grinblat v. Frontline Asset Strategies,*

1 LLC, No. 7:22-CV-4467 (NSR), 2023 WL 5002474, at \*3–\*5 (S.D.N.Y. Aug. 4, 2023) (Román,  
2 J.).

3 To begin, the FDCPA does not confer a right of informational injury to Plaintiff. *Adams*,  
4 836 F. App'x at 546 n.2. Rather, the law protects a consumer's right to "understand, make  
5 informed decisions about, and participate fully and meaningfully in the debt collection process."  
6 *Clark v. Cap. Credit & Collection Servs., Inc.*, 460 F.3d 1162, 1171 (9th Cir. 2006). "Even  
7 though these rights necessarily involve the dissemination of information, they are not thereby  
8 tantamount to a right of information per se." *Wilderness Soc'y, Inc. v. Rey*, 622 F.3d 1251, 1259  
9 (9th Cir. 2010) (emphasis in original). Moreover, "[t]he Ninth Circuit has not yet considered  
10 whether Plaintiff's allegations of intangible harm—emotional distress, loss of personal reputation,  
11 and loss of personal time—without more, suffice as concrete injury-in-fact for standing purposes  
12 in a FDCPA case in view of *TransUnion*." *Samano v. LVNV Funding, LLC*, No. 1:21-cv-01692-  
13 SKO, 2022 WL 1155910, at \*3 (E.D. Cal. Apr. 19, 2022) (collecting cases). Nevertheless, the  
14 Court is convinced that these intangible harms do not suffice.

15 As an initial matter, loss of personal time must be tied to a more concrete injury. *See, e.g.*,  
16 *Cavazzini v. MRS Assocs.*, 574 F. Supp. 3d 134, 143–44 (S.D.N.Y. 2021) ("Courts have found  
17 wasted time to support standing when the wasted time is inextricably bound up in a cognizable  
18 injury.") (collecting cases). "A plaintiff who has failed to assert a concrete injury supporting any  
19 of his other claims cannot clear the standing threshold by claiming wasted time; to allow  
20 otherwise would enable litigants to 'manufacture standing merely by inflicting harm on  
21 themselves.'" *Id.* at 144 (quoting *Clapper v. Amnesty Int'l USA*, 568 U.S. 398, 416 (2013)).<sup>1</sup>

22 Moreover, conclusory allegations of standing are insufficient. *Lujan v. Nat'l Wildlife*

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24 <sup>1</sup> The exception appears to occur in the data breach context. In agreement, the Central District of California recently  
25 opined that in data breach cases, "[f]ollowing *TransUnion*, courts across the country have recognized that harms that  
26 result as a consequence of a plaintiff's knowledge of a substantial risk of identity theft, including time and money  
27 spent responding to a data breach or emotion[al] distress can satisfy concreteness." *Medoff v. Minka Lighting, LLC*,  
No. 2:22-cv-08885-SVW-PVC, 2023 WL 4291973, at \*4 (C.D. Cal. May 8, 2023) (collecting cases); *see also Rand*  
*v. Travelers Indem. Co.*, No. 21 CV 10744 (VB), 2022 WL 15523722, at \*3 (S.D.N.Y. Oct. 27, 2022) ("In the  
data-breach context, the time and money spent to respond to a data breach may satisfy the injury-in-fact  
requirement.").

28 Otherwise, such "additional harms incurred become the type of self-inflicted injuries that cannot confer standing."  
*Medoff*, 2023 WL 4291973, at \*5 (citing, in part, *Clapper*, 568 U.S. at 416).

1 *Fed'n*, 497 U.S. 871, 888 (1990) (disregarding “conclusory allegations” of standing affidavit);  
2 *Daniel v. Nat’l Park Serv.*, 891 F.3d 762, 765 (9th Cir. 2018) (“Daniel lacks standing because her  
3 complaint makes only conclusory allegations . . .”); *Carrico v. City and Cnty. of S.F.*, 656 F.3d  
4 1002, 1006 (9th Cir. 2011) (“This conclusory allegation is insufficient to establish standing.”)  
5 (citation omitted). The Court therefore gives no weight to Plaintiff’s allegation that he “suffer[ed]  
6 [a] concrete and particularized harm. . . because the FDCPA provides Plaintiff with the legally  
7 protected right not to be misled or treated unfairly with respect to any action for the collection of  
8 any debt.” (Doc. 1 at ¶ 82.); *Daniel*, 891 F.3d at 767 (holding threadbare and “naked assertions  
9 fail our edict that a plaintiff may not rely on a bare legal conclusion to assert injury-in-fact[.]”)  
10 (internal quotation marks and citation omitted). Nor does the Court afford weight to Plaintiff’s  
11 barebones and conclusory allegations that he suffered financial and reputational harm, emotional  
12 harm and anxiety, and felt misled and suspicious over the dunning letter. (*Id.* at ¶¶ 33, 45, 58, 77,  
13 88–89.); *compare with Samano*, 2022 WL 1155910, at \*3 (determining Plaintiff had standing  
14 under FDCPA because he alleged “tangible, monetary harm” in a declaration attached to his  
15 opposition, by stating that he was “unable to get a mortgage loan to purchase a home because  
16 Defendant continued to report his debts as disputed”) (internal quotation marks omitted).

17 As the *Braver* court correctly interpreted the *TransUnion* decision: “[D]issemination of a  
18 negative financial report may constitute a cognizable harm. See *TransUnion*, 141 S. Ct., at 2208–  
19 2209. However, Plaintiff fails to allege that Defendant disseminated his negative credit report, or  
20 if it did, to whom or how. (Doc. 1 at 14); *Braver*, 2023 WL 8435825, at \*4 (emphases in  
21 original); *id.* (“Short of an individual or entity viewing the negative credit reporting, Plaintiff  
22 cannot claim that he suffered a concrete injury.”) (citation omitted); see also *Merced*, 2024 WL  
23 1076519, at \*3 (“Plaintiff does not state anywhere in any submission to this Court that the credit  
24 report was disseminated to third parties.”) (internal quotation marks and citation omitted).

25 On the other hand, “[a] perfunctory allegation of emotional distress, especially one wholly  
26 incommensurate with the stimulant, is insufficient to plausibly allege constitutional standing.”  
27 *Leonard v. McMenamins, Inc.*, No. 2:22-cv-00094-BJR, 2022 WL 4017674, at \*4 (W.D. Wash.  
28 Sept. 2, 2022) (internal quotation marks and citation omitted); *Merced*, 2024 WL 1076519, at \*3

1 (“Plaintiff’s allegations of ‘emotional harm in the form of stress and anxiety, with physical harm  
2 manifesting in the form of lost sleep’ are insufficient to establish standing.”) (citations omitted).  
3 Similarly, experiencing “confusion does not constitute an actual harm to [Plaintiff’s] concrete  
4 interests.” *Adams*, 836 F. App’x at 547 (citing *Syed v. M-I, LLC*, 853 F.3d 492, 499–500 (9th Cir.  
5 2017)).

6 Based upon the authorities cited here and because Plaintiff’s “conclusory allegations  
7 raising speculative harms that fail to demonstrate he suffered a concrete, particularized injury,”  
8 *Braver*, 2023 WL 8435825, at \*4, the Court *sua sponte* **DISMISSES** Plaintiff’s Complaint for  
9 lack of subject-matter jurisdiction. Fed. R. Civ. P. 12(h)(3).

10 B. Leave to Amend

11 Courts have broad discretion to grant leave to amend a complaint. *Nguyen v. Endologix,*  
12 *Inc.*, 962 F.3d 405, 420 (9th Cir. 2020). In determining whether a plaintiff should be granted  
13 leave to amend, courts consider “the presence or absence of undue delay, bad faith, dilatory  
14 motive, repeated failure to cure deficiencies by previous amendments, undue prejudice to the  
15 opposing party and futility of the proposed amendment.” *Kroessler v. CVS Health Corp.*, 977  
16 F.3d 803, 814–15 (9th Cir. 2020) (internal quotation marks and citation omitted). Generally, Rule  
17 15 advises that “[t]he court should freely give leave when justice so requires.” Fed. R. Civ. P.  
18 15(a)(2). Indeed, “[i]t is the black-letter law that a district court must give plaintiffs at least one  
19 chance to amend a deficient complaint,” unless there is “a clear showing that amendment would  
20 be futile.” *Barke v. Banks*, 25 F.4th 714, 721 (9th Cir. 2022) (internal quotation marks and  
21 citation omitted). The Court therefore **GRANTS** Plaintiff one last opportunity to amend his  
22 Complaint to show how he has adequately suffered a concrete and particularized injury in light of  
23 this opinion.

24 **IV. CONCLUSION**

25 Based upon the foregoing, the Court **ORDERS**:

- 26 (1) The Complaint (Doc. 1) is **DISMISSED WITH LEAVE TO AMEND**. Within  
27 21 days, Plaintiff may file an amended complaint or a notice of dismissal. Failure  
28 to timely file either document will result in dismissal of his case with prejudice



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pursuant to Rule 41(b).

(2) The motion to dismiss (Doc. 8) is **DENIED AS MOOT**.

IT IS SO ORDERED.

Dated: March 22, 2024

  
UNITED STATES DISTRICT JUDGE