

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

RYAN RUBASH,

Plaintiff,

v.

ORDER

21-cv-447-wmc

VOLKSWAGEN GROUP OF
AMERICA, INC. and AMERICAN
CREDIT ACCEPTANCE, LLC.

Defendants.

After defendant American Credit Acceptance, LLC repossessed plaintiff Ryan Rubash's vehicle, he sued American Credit and Volkswagen Group of America, Inc., contending that the companies had violated multiple state and federal laws. Plaintiff's claims against American Credit were stayed pending arbitration, but his claims against Volkswagen continued to proceed in this case. Several months later, plaintiff filed a stipulation stating that the parties had settled all claims in the case, and that the case could be dismissed. The court dismissed the case without prejudice, subject to reopening or dismissal with prejudice for good cause. (Dkt. #22.) Defendant American Credit now moves the court to reopen the case, confirm the arbitration award and dismiss plaintiff's claims against it with prejudice. (Dkt. #24.)

American Credit explains that it was not involved in the settlement between plaintiff and Volkswagen, and that its dispute with plaintiff was resolved during arbitration. Specifically, an arbitrator issued a written decision in American Credit's favor, in the amount of \$18,139.85. After American Credit sold plaintiff's vehicle at auction and credited the proceeds to his debt, plaintiff still owes American Credit \$6,449.85. American

Credit asks the court to reopen the case and confirm that plaintiff still owes that amount. In opposition, plaintiff argues that this court cannot reopen the case because it has lost jurisdiction over it. He argues that his only claims against American Credit were state law claims over which this court could not exercise diversity jurisdiction because the amount in controversy remaining is only \$6,449.85.

But plaintiff's argument is not persuasive. This case was removed to federal court on the basis of federal question jurisdiction, as plaintiff raised a federal claim against Volkswagen. (Dkt. #4.) This court exercised supplemental jurisdiction over plaintiff's claims against American Credit under 28 U.S.C. § 1367. Thus, this case is distinguishable from *Badgerow v. Walters*, 142 S. Ct. 1310 (2022), cited by plaintiff, in which the Supreme Court held that a federal court lacks jurisdiction over an action to confirm or vacate an arbitration award unless there is an independent basis for jurisdiction over the action. *Id.* at 1315. In contrast, plaintiff here originally filed his claim in federal court, and jurisdiction continues over American Credit's motion to confirm. *See Kinsella v. Baker Hughes Oilfield Operations, LLC*, 66 F.4th 1099, 1103 (7th Cir. 2023) ("Because Kinsella originally filed the claim in district court, federal jurisdiction continues over his FAA Section 10 motion to vacate.") In addition, the court's "dismissal without prejudice with leave to reinstate was in effect a stay, so it did not deprive the district court of jurisdiction to rule on the motion" to confirm. *See id.* Because plaintiff provides no other reason why the court should not confirm the arbitration award, the court will confirm the award, direct plaintiff to pay the remaining debt owed to American Credit, and dismiss plaintiff's claims against American Credit with prejudice.

ORDER

IT IS ORDERED that:

- 1) Defendant American Credit Acceptance, LLC motion to reopen and confirm the arbitration award (dkt. #24) is GRANTED, and this case is REOPENED.
- 2) The March 8, 2023, arbitration award is CONFIRMED. Plaintiff must pay the remaining \$6,449.85 owed to American Credit Acceptance, LLC.
- 3) Plaintiffs' claims against American Credit Acceptance, LLC are DISMISSED with prejudice.
- 4) The clerk of court is directed to enter judgment accordingly and close this case.

Entered this 18th day of August, 2022.

BY THE COURT:

/s/

WILLIAM M. CONLEY
District Judge