

Basis

The minimum amount in controversy must exceed \$75,000 and it must appear to a legal certainty that P could be awarded that amount. **(Reverse said rule favors P (not D)** However, if the case arises under a federal statute, the Diversity issue does not matter because the case can be heard in federal court **(#1 major faux pas not to fully discuss both alternatives)** based on Federal question which says any case arising under fed. law, international treaty, or the Constitution may be heard in fed. court. Here, as the facts state, the case arises under the Groovy Food Act, a federal statute. Therefore, the court has SMJ over this claim based on Federal Question.