

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

GEORGIACARRY.ORG, INC.,)	
And)	
CHRISTOPHER RAISSI,)	
)	
Plaintiffs)	
)	
v.)	CIVIL ACTION FILE NO.
)	1:09-CV-0594-TWT
METROPOLITAN ATLANTA)	
RAPID TRANSIT AUTHORITY,)	
et al.)	
)	
Defendants)	

DEFENDANTS' RESPONSE IN OPPOSITION TO PLAINTIFFS'
PARTIAL MOTION FOR SUMMARY JUDGMENT

COMES NOW Defendants, by and through their undersigned counsel, and submit their Response in Opposition to Plaintiffs' Partial Motion for Summary Judgment.

FACTS

On October 14, 2008 Defendant Nicholas, a MARTA Police officer, was patrolling on foot the South Parking area of the Avondale Train Station. Defendants' Response to Plaintiffs' First Discovery Requests, Interrogatory #9. Nicholas witnessed Plaintiff Raissi get out of his car, take a gun out of his car, put it in a holster in his back and then pull a shirt over it. Id. Nicholas, joined by Defendant Milton, also a MARTA Police officer, approached Raissi and asked him if he had a gun. Id. Nicholas asked

Raissi for identification and his Georgia firearm license. Raissi presented a drivers license and his firearm license. Id. Nicholas also asked Raissi for his social security number, which Raissi readily provided. Defendants' Response to Plaintiffs' First Discovery Requests, Interrogatory #11. Neither officer specifically advised Raissi of whether the disclosure of the social security number was optional or mandatory, by what statutory or other authority they requested it, or what use would be made of the social security number. Id.; Defendants' Response to Plaintiffs' First Discovery Requests, Request for Admission #22.

MARTA is an entity established to build and operate a public transportation system in Atlanta and surrounding counties. G. Law. 1965, p.2243 et seq. MARTA has the powers, privileges and immunities authorized by law for private corporations. Id., at p. 2253, § 8(a).

ARGUMENT AND CITATION OF AUTHORITY

Defendants incorporate by reference the argument and citation of authority section of it Partial Motion for Summary Judgment in its entirety, including its argument on mootness.

The only definition of "agency" in the Privacy Act is contained in 5 U.S.C. § 551, and was amended as follows:

For purposes of this section, the term "agency" as defined in section 551(1) of this title includes any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency.

5 U.S.C. § 552(e). This is actually the section regarding the Freedom of Information Act, but because the Privacy Act defines "agency" by cross-reference to 5 U.S.C. § 552(e), see 5 U.S.C. § 552a(a)(1), this definition also applies to the Privacy Act.¹ Therefore, the Court must determine what constitutes a state or local government agency through analogizing the definition or requirements for a federal government agency. The extent of the Privacy Act's coverage under section 552(f) is a matter to be developed by the courts on a case by case basis. Irwin Mem'l Blood Bank of S.F. Med. Soc'y v. American National Red Cross, 640 F.2d 1051, 1054 (1981). Since the Eleventh Circuit has not specifically addressed the definition of "agency", other than to find that section 7 of the Privacy Act applies to federal, state and local government agencies, Schwier v. Cox, 340 F.3d 1284, 1292(11th Cir. 2003), MARTA had to examine case law from other jurisdictions regarding the definition of government agency.

¹ Section 552a(a)(1) references 5 U.S.C. § 552(e), however after the 1986 renumbering of § 552 the definition for "agency" previously found in § 552(e) is now in § 552(f).

Based on the definition of agency in the Privacy Act, the question becomes whether MARTA is a "Government corporation" or "Government controlled corporation" under the Privacy Act. A local government corporation is generally considered a municipal corporation. O.C.G.A. §36-30-1 et. seq. Examining the general powers of MARTA, it has the powers, privileges and immunities authorized by law for private corporations and for instrumentalities of government. Ga. L. 1965 p. 2253, § 8(a). Clearly, MARTA has not been given powers, privileges or immunities authorized by law for governments. Of further evidence that MARTA was not created to be a government corporation is the collective bargaining ability that it has. Georgia law prohibits local government entities from bargaining collectively with employees. MARTA can bargain with employees as if they were employees of privately owned transit. Local Division 732, Amalgamated Transit Union v. MARTA, 251 Ga. 15 (1983).

Even corporations that are defined as government corporations are not necessarily found to be government corporations under the Privacy Act. Amtrak is defined as a "mixed ownership Government corporation" and is subject to federal audit and reporting requirements. 31 U.S.C. §

9101(2)(A). It was still not found to be a Government corporation by the Fifth Circuit. Elm v. National Railroad Passenger Corp., 732 F.2d 1250, 1255 (5th Cir. 1984).

In determining whether an entity is a government controlled corporation, courts consider various factors including: performance of governmental functions by the entity; presence of substantial government control over the entity's day-to-day operations; authority of the entity to make and implement decisions; nature of the government's financial involvement with the entity; and the status of the entity's employees. See Forsham v. Harris, 445 U.S. 169, 180 (1980); Labor Executives' Ass'n v. Consol. Rail Corp., 580 F. Supp. 777, 778- 79 (D.D.C. 1984).

A. Performance of a Governmental Function

The MARTA Act makes it clear that the function of MARTA is to build and operate a rapid transit system in the Atlanta metropolitan area. Ga. La. 1965 p. 2252, §7. It is well settled in case law that such a function is considered a proprietary function, as distinguished from a governmental function. Bd. of Commrs. v. Chatham Advertisers, 258 Ga. 498, 499 (1988). With the passing of the Act, it was expected that MARTA would take over the Atlanta Transit System, the private bus system in Atlanta,

as in fact it did. Based on case law, it is clear that MARTA does not provide a governmental function.

B. Government Control Over MARTA's Day to Day Operations

In deciding whether MARTA is government controlled, cases place a great deal of weight on whether the government supervises or controls the everyday activities of the entity. See, Forsham, 445 U.S. at 178; (before characterizing an entity as federal the Court requires a threshold showing of substantial federal control or supervision of the activities). Irwin, 640 F.2d at 1056 (control must be "extensive, detailed and virtually day-to-day supervision" by the federal government). In Krebs v. Rutgers University, 797 F. Supp. 1246 (D.N.J. 1992), the court held that Rutgers University was not a governmental agency and that Rutgers was free to request social security numbers without complying with the provisions of § 7 of the Privacy Act. Id. at 1253. The Court reasoned that Rutgers was not a government agency because though it was in part a state created entity which served a state purpose with a large degree of state financing, it was an independent entity able to direct its own actions. Id. at 1255. The court concluded that although there were many aspects of Rutgers' operations that touched and/or intersected with the State, the overall effect was an independent

institution divorced from direct and day-to-day state control and not an agency subject to the provisions of § 7 of the Privacy Act. *Id.* Though MARTA is a state created entity and serves a public, however proprietary purpose, like the university in Krebs, it is an independent entity able to direct its own actions. In this case, it is clear that the government exercises no supervision over the day-to-day operations of MARTA or controls its activities. There must be evidence that the government controls MARTA's day-to-day operations to such an extent that it is being virtually operated by the government. There can be no dispute that MARTA is operated by its own management, which includes a General Manager, and its own employees. The officers and employees who conduct MARTA's day-to-day affairs are not local government employees.

The fact that many members of the Board of Directors for MARTA are appointed by local governments does not constitute government control. In discussing that all ten members of the board of directors for the Corporation for Public Broadcasting are presidentially appointed, the Fifth circuit recognized that for purposes of 5 U.S.C. § 552(e), the federal representation on the board was not contemplated to constitute government control. Elm, 732 F.2d at 1255.

C. MARTA's Authority to Make and Implement Decisions

The controlling standard is whether a unit has independent legal authority in the exercise of specific functions. Consol. Rail Corp., 580 F. Supp. at 779. While it is true that MARTA has independent authority over MARTA decisions, it does not have authority to make decisions for City of Atlanta, or any of the counties that have chosen to have MARTA transit. To have authority to make decisions means that alleged government controlled corporation has independent legal authority to make decisions for agency that allegedly controls it. Id. There are no allegations in the complaint that MARTA has any such authority over the City of Atlanta or any of the various counties included in the Act, and there is no factual basis for any such allegation. MARTA does not have legal authority to make decisions for any of the local governmental agencies where it provides transit.

D. Government Financial Involvement With MARTA

It is well established that merely having a financial relationship with the government even if it includes government oversight and requires compliance with regulations, does not establish the degree of control necessary for an entity to be considered a government controlled corporation under the Privacy Act. See St.

Michael's Convalescent Hosp. v. State of Cal., 643 F.2d 1369, 1373-74 (9th Cir. 1981). The Fifth Circuit court also found that financial accountability to the government does not constitute government control under the meaning of the Privacy Act. Elm, 732 F.2d at 1255. Other than contracts, or sale tax (which come from citizens, not governments) MARTA receives virtually no local government funds. Thus the government's financial involvement with MARTA does not make it a government controlled corporation.

In reviewing the relevant factors cumulatively, MARTA cannot be considered a government agency under the Privacy Act because it clearly lacks the attributes that have been considered significant in determining whether MARTA is a government controlled corporation under the Privacy Act. As such, partial summary judgment should be denied for the Plaintiffs.

Furthermore, since the MARTA is not an agency under the Privacy Act and the Plaintiffs' Partial Motion for Summary Judgment should be denied, Plaintiffs are not entitled to any of the requested relief.

This 27th day of July, 2009.

Respectfully Submitted,

/S/ Paula Morgan Nash
Paula Morgan Nash
Georgia Bar No. 528884

Attorneys for Defendants

Metropolitan Atlanta Rapid Transit Authority
2424 Piedmont Road NE
Atlanta, Georgia 30324
(404) 848-5220
(404) 848-5225 (fax)

pmnash@itsmarta.com

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CERTIFICATE OF FONT TYPE, SIZE AND SERVICE

I hereby certify that on July 27, 2009, I served Plaintiffs' counsel by e-filing "DEFENDANTS' RESPONSE IN OPPOSITION TO PLAINTIFFS' PARTIAL MOTION FOR SUMMARY JUDGMENT" in 12-point Courier New for filing and uploading to the CM/ECF system, which will automatically send e-mail notification of such filing to the attorney of record:

John R. Monroe
Attorney at Law
9640 Coleman Road
Roswell, GA 30075

This 27th day of July, 2009

/s/ Paula Morgan Nash

MARTA
2424 Piedmont Road, NE
Atlanta, Georgia 30324
Phone: 404-848-5220
Fax: 404-848-5225
E-Mail: pmnash@itsmarta.com

Counsel for Defendants
Paula Morgan Nash
Georgia Bar No. 528884