

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET, S.W.
WASHINGTON, DC 20554
June 21, 2004

In Reply Refer to:
1800B3-JWR
NAL/Acct No.: MB20041810023
FRN: 0003474947

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Dorann Bunkin, Esquire
Wiley, Rein & Fielding, LLP
1776 K Street NW
Washington, DC 20006

In re: WMCZ(FM), Millbrook, AL
Facility No. 8662
File No. BRH-20031208BAM

Dear Ms. Bunkin:

This letter refers to the captioned application of Capstar TX Limited Partnership (“Capstar”) for renewal of license for station WMCZ(FM), Millbrook, Alabama. For the reasons set forth below, we issue a NOTICE OF APPARENT LIABILITY FOR A FORFEITURE to Capstar for violation of the Commission’s rule regarding a broadcast station’s public inspection file, 47 C.F.R Section 73.3526, and we grant the WMCZ(FM) license renewal application.

Public file rule violation. Section III, Item 3 of the license renewal application form, FCC Form 303-S, requests that the licensee certify that the documentation required by Section 73.3526 has been placed in the station’s public inspection file at the appropriate times. Capstar indicated “No” to that certification, attaching an Exhibit explaining that an internal audit revealed that the issues/programs lists for the third and fourth quarters of 2002, and the first and second quarters of 2003 had not been placed in the station’s public file. Capstar attributed this failure to staffing problems and instituted procedures to prevent its reoccurrence.

Section 73.3526 of the Commission’s Rules requires broadcast licensees to maintain a public inspection file containing specific types of information related to station operations. The purpose of this requirement is to provide the public with timely information at regular intervals throughout the license period.¹ In this regard, where lapses occur in maintaining the public file, neither the negligent acts or omissions of station employees or agents, nor the subsequent remedial actions undertaken by the licensee, excuse or nullify a licensee’s rule violation.²

¹ Cf. *Letter to Kathleen N. Benfield from Linda B. Blair, Chief, Audio Services Division* (April 3, 1997), 13 FCC Rcd 4102 (1997) citing *License Renewal Applications of Certain Commercial Radio Stations*, 8 FCC Rcd 6400 (1993).

² See *Padre Serra Communications, Inc.*, 14 FCC Rcd 9709 (1999)(citing *Gaffney Broadcasting, Inc.*, 23 FCC 2d 912, 913 (1970) and *Eleven Ten Broadcasting Corp.*, 33 FCC 706 (1962)); *Surrey Front Range Limited Partnership*,

Section 503(b) of the Communications Act, 47 U.S.C. § 503(b) and Section 1.80(a) of the Commission's rules, 47 C.F.R. § 1.80(a), each state that any person who willfully or repeatedly fails to comply with the provisions of the Communications Act or the Commission's rules shall be liable for a forfeiture penalty. For purposes of Section 503(b) of the Communications Act, the term "willful" means that the violator knew it was taking the action in question, irrespective of any intent to violate the Commission's rules.³ A continuing violation is "repeated" if it lasts more than one day.⁴

The Commission's Forfeiture Policy Statement sets a base forfeiture amount of \$10,000 for public file violations.⁵ In this case, the violations were admitted to the Commission in the context of the license renewal application, and the licensee has corrected the violation and instituted measures to prevent its recurrence. On the other hand, the violation occurred from the third quarter of 2002 through the second quarter of 2003, therefore, the public file was not complete for one year. Considering the record as a whole, we believe that a \$4,000 forfeiture is appropriate for the violation in this case.⁶ However, because of Capstar's voluntary disclosure of its violation, we will adjust the forfeiture amount downward to the amount of \$3,000.⁷

License renewal application. In evaluating an application for license renewal, the Commission's decision is governed by Section 309(k) of the Communications Act. That section provides that if, upon consideration of the application and pleadings, we find that (1) the station has served the public interest, convenience, and necessity; (2) there have been no serious violations of the Communications Act or the Commission's Rules; and (3) there have been no other violations which, taken together, constitute a pattern of abuse, we are to grant the renewal application.⁸ If, however, the licensee fails to meet that standard, the Commission may deny the application – after notice and opportunity for a hearing under Section 309(e) of the Act – or grant the application "on terms and conditions that are appropriate, including a renewal for a term less than the maximum otherwise permitted."⁹

71 RR 2d 882 (FOB 1992).

³ See *Southern California Broadcasting Co.*, 6 FCC Rcd 4387, 4387-4388 (1991).

⁴ *Id.*, 6 FCC Rcd at 4388.

⁵ *The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Commission's Rules*, 12 FCC Rcd 17087, 17113 (1997), *recon. denied* FCC 99-407 (released December 28, 1999).

⁶ See *KLDT-TV 55, Inc.*, 10 FCC Rcd 3198 (1995) and *Barry D. Wood, Esq.*, 7 FCC Rcd 6262 (FOB 1992).

⁷ See *Surrey Front Range Limited Partnership*, 7 FCC Rcd 6361 (FOB 1992) (voluntary disclosure constitutes a downward adjustment criterion).

⁸ 47 U.S.C. § 309(k)(1). The renewal standard was amended to read as described by Section 204(a) of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). See *Order, Implementation of Sections 204(a) and 204(c) of the Telecommunications Act of 1996 (Broadcast License Renewal Procedures)*, 11 FCC Rcd 6363 (1996).

⁹ 47 U.S.C. §§ 309(k)(2), 309(k)(3).

The public inspection file rule serves the critical function of making available to the public important information regarding programs that provided a station's most significant treatment of community issues during the license term. On balance, however, we find that Capstar's violation of Section or 73.3526 does not constitute a "serious violation" of the Commission's rules warranting designation for evidentiary hearing. Moreover, we find no evidence of violations that, when considered together, evidence a pattern of abuse.¹⁰ Further, we find that station WMCZ(FM) served the public interest, convenience, and necessity during the subject license term. We will therefore grant the license renewal application below.¹¹

Conclusion/Actions. For the reasons set forth above, and pursuant to Section 503 (b) of the Communications Act of 1934, as amended, 47 U.S.C. Section 503(b), and Sections 0.283 and 1.80 of the Commission's Rules, 47 U.S.C. Sections 0.283 and 1.80, Capstar TX Limited Partnership is hereby advised of its apparent liability for a forfeiture of \$3,000 for willfully and repeatedly violating Section 73.3526.

Accordingly, IT IS ORDERED, pursuant to Section 1.80 of the Commission's rules, that within thirty days of the release of this Notice, Capstar SHALL PAY to the United States the full amount of the proposed forfeiture or SHALL FILE a written statement seeking reduction or cancellation of the proposed forfeiture.

Payment of the forfeiture may be made by credit card through the Commission's Revenue and Receivables Operations Group at (202) 418-1995 or by mailing a check or similar instrument, payable to the order of the Federal Communications Commission, to the Forfeiture Collection Section, Finance Branch, Federal Communications Commission, P.O. Box 73482, Chicago, Illinois 60673-7482. The payment should note the NAL/Acct. No. (MB20041810023) and the FCC Registration Number ("FRN") (0003474947) referenced above.

The response, if any, must be mailed to Peter H. Doyle, Chief, Audio Division, Media Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 2-A360, Washington, D.C. 20554 and MUST INCLUDE the NAL/Account number (MB20041810023) and FRN (0003474947) referenced in the caption of this document.

The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices ("GAAP"); or (3) some other reliable and objective documentation that accurately reflects the

¹⁰ For example, we do not find here that the licensee's station operation "was conducted in an exceedingly careless, inept and negligent manner and that the licensee is either incapable of correcting or unwilling to correct the operating deficiencies." See *Heart of the Black Hills Stations*, 32 F.C.C.2d 196, 198 (1971). Nor do we find on the record here that "the number, nature and extent" of the violations indicate that "the licensee cannot be relied upon to operate WMCZ(FM) in the future in accordance with the requirements of its licenses and the Commission's Rules." *Heart of the Black Hills Stations*, 32 F.C.C.2d at 200. See also *Center for Study and Application of Black Economic Development*, 6 FCC Rcd 4622 (1991), *Calvary Educational Broadcasting Network, Inc.*, 7 FCC Rcd 4037 (1992).

¹¹ See 47 U.S.C. § 309(k).

petitioner's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation submitted.

Requests for payment of the full amount of this Notice of Apparent Liability under an installment plan should be sent to: Chief, Revenue and Receivables Operations Group, 445 12th Street, S.W., Washington, D.C. 20554.¹²

Finally, IT IS ORDERED, that the application (File No. BRH-20031208BAM) of Capstar TX Limited Partnership for renewal of license for station WMCZ(FM), Millbrook, Alabama IS GRANTED.

Sincerely,

Peter H. Doyle, Chief
Audio Division
Media Bureau

cc: Capstar TX Limited Partnership

¹² See 47 C.F.R. § 1.1914.