

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Audacy License, LLC, as Debtor-in-Possession)	Application File Nos. 0000241074 et al.
(Assignor))	
)	
And)	
)	
Audacy License, LLC)	
(Assignee))	
)	
)	
Application for Consent to Assignment of Licenses)	

MEMORANDUM OPINION AND ORDER

Adopted: September 18, 2024

Released: September 30, 2024

By the Commission: Chairwoman Rosenworcel issuing a statement. Commissioners Carr and Simington dissenting and issuing separate statements.

I. INTRODUCTION

1. The Commission has under consideration the above-captioned application for transfer of control and assignment of license (Application) filed by Audacy License, LLC, Debtor-in-Possession (Audacy License DIP or Applicant) an indirect, wholly owned subsidiary of Audacy, Inc., Debtor-in-Possession (Audacy DIP).¹ The Application requests consent to the assignment of broadcast licenses in order to implement the Joint Prepackaged Plan of Reorganization (Reorganization Plan), by which Audacy DIP seeks to emerge from federal bankruptcy protection. Pursuant to the Reorganization Plan, former debt holders of Audacy DIP will receive new common stock in the reorganized company (Reorganized Audacy). Additionally, Audacy License DIP will assign its broadcast licenses to the reorganized Audacy License, LLC (Audacy License), which will be an indirect, wholly owned subsidiary of Reorganized Audacy.² Consistent with the approach adopted for numerous broadcasters that recently emerged from bankruptcy, the Applicant also requests³ a temporary and limited waiver of section 1.5000(a)(1) of the Commission's rules to permit it to emerge from bankruptcy before filing a petition for declaratory ruling that would seek approval for Reorganized Audacy to have aggregate foreign ownership

¹ Application File Nos. 0000241074 et al. (filed Mar. 15, 2024, amended May 31, 2024). The Application was accepted for filing on March 15, 2024. *See Applications*, Public Notice, Report No. PN-1-240321-01 (Mar. 21, 2024). A list of Audacy License, LLC, Debtor-in-Possession stations (Stations) that are subject to the proposed assignment is provided in the Appendix, identified by call sign, service, community of license, Facility ID Number, and application file number.

² The current licensee is referred to as Audacy License DIP or Applicant. The reorganized licensee is referred to as Audacy License. The reorganized parent company is referred to as Reorganized Audacy.

³ *See* Application Attach., Amended Comprehensive Exhibit (Amended Comprehensive Exhibit).

in excess of the 25% benchmark set forth in section 310(b)(4) of the Communications Act of 1934, as amended (Act).⁴

2. We also have before us a petition to deny the Application filed by Media Research Center (MRC Petition),⁵ and a related responsive pleading filed by Audacy License DIP.⁶ For the reasons discussed below, we treat the MRC Petition as an informal objection and deny it, grant a waiver of section 1.5000(a)(1) consistent with past treatment of such requests by the Media Bureau (Bureau), the former International Bureau, the Wireless Telecommunications Bureau and the Wireline Competition Bureau (collectively Bureaus), and condition grant of the Application on the filing of a petition for declaratory ruling within 30 days of the consummation of the assignment authorized herein.

II. BACKGROUND

A. Bankruptcy and Description of Transaction

3. The Applicant, which is indirectly owned and controlled by Audacy DIP, holds the broadcast licenses identified in the Appendix. The Applicant and Audacy DIP, along with certain other subsidiaries of Audacy DIP, are currently operating under the protection of Chapter 11 of the United States Bankruptcy Code before the United States Bankruptcy Court for the Southern District of Texas, Houston Division (Bankruptcy Court).⁷ On February 20, 2024, the Bankruptcy Court issued an order confirming Audacy DIP's Reorganization Plan by its Order Approving Debtors' Disclosure Statement and Confirming Debtors' Joint Prepackaged Plan of Reorganization (Confirmation Order) subject to Commission approval.⁸

4. Pursuant to the Reorganization Plan confirmed by the Court, Audacy DIP will cancel approximately \$1.6 billion of existing debt and, in exchange, issue securities in Reorganized Audacy consisting of a combination of: (1) Class A New Common Stock, which entitles its holders to full voting rights; (2) Class B New Common Stock, which entitles its holders to limited voting rights that do not confer an attributable interest and is convertible to Class A New Common Stock; and (3) Special Warrants, which are pre-paid warrants carrying no voting rights and no right to economic distributions until exercised, that will be exercisable for New Common Stock of Reorganized Audacy subject to

⁴ 47 CFR § 1.5000(a)(1) (providing that an applicant for a broadcast station license shall file a petition for declaratory ruling to exceed the aggregate foreign ownership benchmark set forth in section 310(b)(4) of the Act "at the same time that it files its application"); 47 U.S.C. § 310(b)(4).

⁵ Petition to Deny of Media Research Center, Pleading File No. 0000243806 (filed April 22, 2024) (MRC Petition). MRC subsequently filed an untimely supplemental pleading, entitled "Memorandum in Support of Petition to Deny," Pleading File No. 0000249869 (filed July 30, 2024), which was neither served on the opposing party nor accompanied by a request for waiver, and which raises new issues for the first time. Therefore, pursuant to section 73.3584(e) we will not consider this improper filing. 47 CFR § 73.3584(e) ("Untimely Petitions to Deny, as well as other pleadings in the nature of a Petition to Deny, and any other pleadings or supplements which do not lie as a matter of law or are otherwise procedurally defective, are subject to return by the FCC's staff without consideration."). In addition, an informal comment was filed by Ira Warren Patasnik, Pleading File No. 0000246460 (filed June 20, 2024). The Commission and individual Commissioners also received letters concerning this matter from members of Congress: Letter from Rep. Nicholas Langworthy to Chairwoman Rosenworcel received April 8, 2024; Letter from Rep. Chip Roy to Chairwoman Rosenworcel received April 23, 2024; Letter from Sen. Ted Cruz to Commissioner Starks dated July 9, 2024; Letter from Sen. Ted Cruz to Commissioner Gomez dated July 9, 2024.

⁶ The Applicant filed its Opposition to Petition to Deny, Pleading File No. 0000244250 (filed May 2, 2024) (Opposition).

⁷ *Id.* at 1.

⁸ Application Attach., In re Audacy, Inc., et al., Case No. 24-90004 (CML) and jointly administered cases (Bank. S.D. Tex), Order Approving Debtors' Disclosure Statement and Confirming Debtors' Joint Prepackaged Plan of Reorganization.

various conditions, including compliance with the Act and the Commission's rules.⁹ As the Applicant explains, upon emergence from bankruptcy the existing common stock of Audacy DIP will be cancelled and the new securities in Reorganized Audacy will be distributed to holders of debt of Audacy DIP. As a result, substantially all of Reorganized Audacy's voting stock will be held by new shareholders.¹⁰

5. Following the reorganization, Audacy License will ultimately be held and controlled by Reorganized Audacy through a chain of subsidiaries. Specifically, Reorganized Audacy will wholly own and directly control Audacy Capital, LLC. Audacy Capital, LLC will wholly own and directly control Audacy Operations, LLC, and Audacy Operations, LLC, will wholly own and directly control Audacy License. Reorganized Audacy and its subsidiaries, including Audacy License, will be U.S.-organized entities, and each will be registered in Delaware.

6. As a result of the exchange of debt for securities detailed above, Laurel Tree Opportunities Corporation (Laurel Tree) is expected to hold a controlling, attributable interest in the reorganized company, holding 57% or greater of the Class A New Common Stock of Reorganized Audacy.¹¹ According to the Application, the sole voting shareholder of Laurel Tree will be FPR Capital Holdings LLC (FPR Capital), a Delaware limited liability company, the sole member and manager of which is Fund for Policy Reform, a Delaware not-for-profit charitable trust.¹² Fund for Policy Reform holds 100% of the voting and equity interest of FPR Capital. Fund for Policy Reform, in turn, is governed by a four-member board of trustees, all of whom are U.S. citizens: Leonard Banchon, Maryann Canfield, Alexander Soros, and Michael Vachon.¹³

⁹ Amended Comprehensive Exhibit at 2-3. Each Special Warrant entitles the holder to the right to purchase, subject to the provisions of the Special Warrant Agreement, one share of Class A New Common Stock or Class B New Common Stock in Reorganized Audacy at the price of \$0.0001 per share. *See* Application Attach., First Supplement to Plan Supplement, Exh. C, Special Warrant Agreement § 3.1 (Special Warrant Agreement). The Special Warrants do, however, include "make whole" mechanisms for the purpose of conferring upon the Special Warrant Holder the economic equivalent of non-voting common stock. *See, e.g.*, Special Warrant Agreement §§ 4.1, 4.2, 4.3, 4.4 (Warrant Agreement); *see also* § 6.1 ("No Rights or Liability as Stockholder"). For example, section 4.4 provides the Special Warrant Holder with the right to distributions in the event of an Organic Change (including the recapitalization, merger, sale of all or substantially all of the company's assets, and liquidation) of the company.

¹⁰ *Id.* at 3. In addition, changes to corporate parent entities are also contemplated as part of the overall transaction. As detailed in the Amended Comprehensive Exhibit and the Application, such changes are *pro forma* in nature and will achieve the elimination of an intervening corporate entity (Audacy Corp., Debtor-in-Possession) that is an indirect parent of Audacy License DIP and an indirect subsidiary of Audacy DIP. *See* Amended Comprehensive Exhibit at 4

¹¹ *Id.* at 5.

¹² *Id.* at A-11 – A-14. FPR IM LLC (FPR IM), a Delaware limited liability company, will serve as the sole investment adviser with respect to Laurel Tree's investment in Reorganized Audacy and FPR Capital's investment in Laurel Tree. Fund for Policy Reform is FPR IM's sole member. *Id.*

FPR Capital Holdings' voting shares represent less than 1% of the equity of Laurel Tree. Quantum Endowment Finance Limited Partnership ("QEFLP"), a Delaware limited partnership, will hold 100 percent of Laurel Tree's non-voting shares (and more than 99 percent of its equity). Under the Commission's rules, QEFLP's interest is non-attributable. *See* 47 CFR § 73.3555, Note 2; Amended Comprehensive Exhibit at A-9, n.3 ("No individual or entity is expected to hold an attributable interest in Reorganized Audacy as a result of the Commission's EDP attribution standard."). The sole limited partner of QEFLP will be Foundation to Promote Open Society ("FPOS"), a Delaware 501(c)(3) non-profit corporation. FPOS is governed by a three-member board of directors, all of whom are U.S. citizens: George Soros, Alexander Soros, and Andrea Soros Colombel. *Id.* at A-11 n. 6.

¹³ The Applicant states that The Fund for Policy Reform's board of trustees is self-perpetuating, with no entity or individual possessing the right to appoint or remove any trustee. Rather, upon an opening in the board, the remaining trustees select the replacement. *Id.* at A-12.

7. The Application states there are not any other attributable shareholders following the distribution of new common stock in Reorganized Audacy.¹⁴

8. As described in the next section, to effectuate this plan and enable Audacy DIP to emerge from bankruptcy promptly, the Applicant proposes the same two-step approval process requested by previous broadcast and common carrier wireless licensees emerging from bankruptcy that have foreign debt-holders. First, the Applicant seeks approval of the Application with certain restrictions on potential foreign ownership interests among the special warrant holders in order to comply with the 25% foreign ownership interest threshold contained in section 310(b) of the Act. Second, within 30 days of the proposed restructuring, it commits to filing a petition for declaratory ruling seeking approval of any foreign ownership interests in excess of 25% of the reorganized company.¹⁵

B. Section 1.5000(a)(1) Waiver Request

9. Consistent with past cases of broadcasters and common carrier wireless licensees emerging from bankruptcy, the Applicant requests a temporary and limited waiver of section 1.5000(a)(1) of the Commission's rules, to the extent necessary, to permit Audacy DIP and its subsidiaries to emerge from bankruptcy and consummate the transaction before Audacy License files a petition for declaratory ruling to seek approval for foreign ownership interests in Reorganized Audacy in excess of the 25% benchmark set forth in section 310(b)(4) of the Act.¹⁶ The Applicant requests permission to file such a petition no later than 30 days following the date of emergence from bankruptcy.¹⁷ The Applicant seeks this approval in conjunction with its use of special warrants and other conditions intended to ensure that the aggregate foreign ownership, both in terms of equity and voting, of the holders of Reorganized Audacy's new common stock will not exceed the 25% benchmark established by section 310(b)(4) of the Act.¹⁸

10. Audacy notes that the Bureau has approved similar requests in prior transactions involving media companies emerging from bankruptcy,¹⁹ as have other Bureaus. The Applicant contends that grant of its request and temporary authorization of its use of special warrants would serve the public interest by facilitating Audacy DIP's emergence from the bankruptcy process in a manner consistent with the Commission's practice of accommodating federal bankruptcy law when doing so will not unduly interfere with the Commission's public interest obligations under the Act.²⁰ The Applicant notes that the Commission has long recognized that facilitating the "successful emergence from bankruptcy advances the public interest by providing economic and social benefits, especially the compensation of innocent creditors."²¹ The Applicant notes further that its request is interim in nature and will not interfere with the

¹⁴ The complete proposed ownership of Reorganized Audacy and parties to the application are provided in Attachment A of the Amended Comprehensive Exhibit to the Application. Individuals or entities that hold interests amounting to 5% or more of the outstanding voting stock of a corporate broadcast licensee are deemed to be attributable shareholders for purposes of the Commission's ownership rules. See 47 CFR § 73.3555, Note 2.

¹⁵ Amended Comprehensive Exhibit at 1, 9-12.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.* at 9.

¹⁹ *Id.* at 10-11, note 19 (citing *Cumulus Media, Inc., Debtor-in-Possession Seeks Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 33 FCC Rcd 5243 (MB AD 2018); *Liberman Television of Dallas License LLC, Debtor-In-Possession et al.*, Order, 34 FCC Rcd 8543 (MB VD 2019); and *Alpha Media Licensee LLC, Debtor-in-Possession et al.*, Order 36 FCC Rcd 10891 (MB AD 2021)).

²⁰ Amended Comprehensive Exhibit at 11-12.

²¹ *Id.* at 11 (quoting *Stanford Springel as Chapter 11 Trustee for the Bankruptcy Estate of Innovative Communication Corporation, et al., Applications for Consent to Assign and Transfer Control*, Order, 24 FCC Rcd 14360, 14369 para. 19 (WCB, MB, WTB, IB 2009) (internal citations omitted)).

Commission's public interest obligations, nor would it result in any public interest harm, as any foreign ownership of the company's new common stock will be limited to less than 22.5% by operation of the Bankruptcy Plan,²² and Reorganized Audacy will promptly file the appropriate petition for declaratory ruling with 30 days of emerging from bankruptcy.²³

C. Pleadings

11. *MRC Petition.* MRC describes itself as a media watchdog and a research and education organization, but makes no specific assertion as to standing as a party in interest to file the MRC Petition. Nor does MRC articulate the harm it claims to suffer, or that it would suffer, as a direct result of the proposed assignment of licenses and the emergence of Audacy from bankruptcy. While MRC objects generally to the potential involvement of George Soros and Soros Fund Management in the transaction, its primary substantive complaint is that the Application seeks a waiver of 1.5000(a)(1) of the Commission's rules.²⁴ MRC also objects to the Applicant's proposed use of special warrants to limit the involvement of potential foreign owners.²⁵ MRC asserts that the Applicant seeks specialized treatment and has failed to justify the grant of a temporary waiver or the use of special warrants as it emerges from bankruptcy.²⁶

12. *Opposition.* In its Opposition, Audacy License DIP argues that MRC does not have standing to file a petition to deny and that its submission is procedurally deficient. Audacy License DIP states that MRC makes no effort to demonstrate that it is a party in interest in this matter, including by substantiating that it or its members are listeners or competitors of the Stations, that it or its members would suffer some cognizable injury as a result of the transaction, or that grant of the Application would cause it or its members harm (or conversely that dismissal of the Application would provide redress for their injury).²⁷ Audacy License DIP states further that the MRC Petition is also deficient as it does not set forth any specific allegations of fact that grant of the Application would be inconsistent with the public interest, nor does it contain an affidavit supporting any allegations of fact contained in the pleading.²⁸ Audacy License DIP notes further that the pleading was not served on the Applicant, as required by the Commission's rules.²⁹

13. In addition to arguing that the pleading should be summarily dismissed as procedurally defective, Audacy License DIP argues that the MRC Petition is incorrect in asserting that the temporary and limited waiver sought by the Applicant is somehow novel, vague, or inappropriate.³⁰ Rather, the Applicant notes that the mechanisms it seeks to employ as it emerges from bankruptcy have always been approved in previous bankruptcy cases.³¹ In sum, Audacy argues that the relief it seeks in order to facilitate its bankruptcy reorganization is fully consistent with precedent.³²

²² Amended Comprehensive Exhibit at 9. The Applicant states that this threshold will be below the statutory maximum of 25% foreign ownership permitted under the Act and accordingly will promote the liquidity of Reorganized Audacy's stock. Application Attach., Disclosure Statement for the Joint Prepackaged Plan of Reorganization at 117.

²³ Amended Comprehensive Exhibit at 11-12.

²⁴ MRC Petition at 2-3.

²⁵ *Id.* at 3-4.

²⁶ *Id.*

²⁷ Opposition at 2-3.

²⁸ *Id.* at 3.

²⁹ *Id.*

³⁰ *Id.* at 3-4.

³¹ *Id.* at 3-5.

III. DISCUSSION

A. Standard of Review

14. Section 310(d) of the Act provides that no station license shall be transferred or assigned until the Commission, upon application, determines that the public interest, convenience, and necessity will be served thereby.³³ In making this assessment, the Commission must first determine whether the proposed transaction would comply with the specific provisions of the Act, other applicable statutes, and the Commission's rules.³⁴ If the transaction would not violate a statute or rule, the Commission considers whether it could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.³⁵ If the Commission is unable to find that the proposed transaction serves the public interest, or if the record presents a substantial and material question of fact as to whether the transaction serves the public interest, section 309(e) of the Act requires that the applications be designated for hearing.³⁶

B. Procedural Issues

15. *MRC Petition.* Section 309(d)(1) of the Act provides that only a “party in interest” may file a petition to deny a proposed assignment.³⁷ A petition to deny must “contain specific allegations of fact sufficient to show that the petitioner is a party in interest,” as well as contain the necessary factual allegations to support a *prima facie* case that grant of the application would be inconsistent with the public interest, convenience, and necessity.³⁸ Under the Commission's long-standing precedent, party-in-interest status will be accorded to a petitioner if grant of the application would result in, or be reasonably likely to result in, some injury to the petitioner of a direct, tangible, or substantial nature.³⁹ In the context of an assignment of license proceeding this means the petitioner must allege, and prove, that it has suffered or will suffer an injury in fact, that there is a causal link between the proposed assignment and the injury in fact, and that not granting the assignment would remedy or prevent the injury in fact.⁴⁰ With

(Continued from previous page)

³² *Id.* at 4.

³³ 47 U.S.C. § 310(d).

³⁴ See, e.g., *SBC Communications Inc. and AT&T Corp. Applications for Approval of Transfer of Control*, Memorandum Opinion and Order, 20 FCC Rcd 18290, 18300, para. 16 (2005).

³⁵ *Id.*

³⁶ 47 U.S.C. § 309(e); see also *General Motors Corporation and Hughes Electronics Corporation, Transferors, and the News Corporation Limited, Transferee*, 19 FCC Rcd 473, 483, para. 15 n.49 (2004); *Application of EchoStar Communications Corporation, General Motors Corporation, and Hughes Electronics Corporation and EchoStar Communications Corporation*, Hearing Designation Order, 17 FCC Rcd 20559, 20574, para. 211 (2002).

³⁷ 47 U.S.C. § 309(d)(1); see also 47 CFR § 73.3584.

³⁸ *Id.*; 47 U.S.C. § 309(d)(1) (requiring that a petition to deny “contain specific allegations of fact sufficient to show . . . that a grant of the application would be *prima facie* inconsistent with” the standards for grant of the application at issue and requiring that such allegations, except for those of which official notice may be taken “be supported by affidavit of a person or persons with personal knowledge thereof”).

³⁹ See, e.g., *Entercom License, LLC*, Memorandum Opinion and Order, 32 FCC Rcd 7149, 7152 (2017) (citing *Pinelands, Inc.*, Memorandum Opinion and Order, 7 FCC Rcd 6058, 6063 (1992)).

⁴⁰ See, e.g., *Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560 (1992) (summarizing constitutional minimum requirements for Article III standing that the party must (1) have suffered an “injury in fact” that is concrete and particularized and actual or imminent; (2) there must be a causal connection between the injury and the conduct complained of; and (3) it must be likely that the injury will be redressed by a favorable decision); *MCI Communications Corporation*, Memorandum Opinion and Order, 12 FCC Rcd 7790, 7794-5 (1997) (affirming that entities claiming standing must allege and prove a personal injury that is “fairly traceable” to the challenged action and a substantial likelihood that the relief requested will redress the injury claimed).

regard to broadcast licenses specifically, the Commission has found that a petitioner seeking to deny a broadcast application may establish standing if it is a competitor in the market suffering signal interference, a competitor in the market suffering economic harm, a resident of the station's service area or a regular listener.⁴¹

16. We find that MRC fails to demonstrate that it has standing in this proceeding. In particular, MRC fails to demonstrate that grant of the Application would result in, or be reasonably likely to result in, some injury to MRC of a direct, tangible, or substantial nature. Further, the filing is devoid of any specific allegations of fact alleging that MRC is a party in interest, including, potentially, that it is a competitor in the market or that its members either reside in the Stations' markets or are listeners of the Stations. Indeed, MRC does not make any assertion as to its standing to file a petition to deny in this proceeding. We therefore find that under the terms of the statute MRC is not a "party in interest" and thus lacks standing to file a petition to deny. Accordingly, we dismiss the MRC filing as a petition to deny. We will, however, treat the submission as an informal objection pursuant to section 73.3587 of the Commission's rules.⁴²

17. Audacy License DIP alleges that MRC's pleading is procedurally deficient in additional ways. We agree. In addition to failing to demonstrate standing, MRC's filing fails to meet other required elements of 309(d)(1) as well, including that (1) the petitioner serve a copy of the petition on the applicant and (2) that the petition be supported by an affidavit of a person or persons with personal knowledge of the facts alleged in the petition.⁴³ The Commission cannot waive these statutory requirements.⁴⁴ Accordingly, for these additional reasons, we dismiss the MRC filing as a petition to deny, but, as noted above, we will treat the pleading as an informal objection.⁴⁵

18. *Other Objecting Parties.* In addition, we also consider the untimely comment received from Ira Warren Patasnik (Patasnik) as an informal objection to the Application.⁴⁶ That submission, made nearly two months after the period for the filing of petitions to deny had elapsed, makes a number of wide-ranging comments about George Soros and his potential involvement with the Audacy stations. The Patasnik submission, however, fails to satisfy any of the necessary elements of a petition to deny discussed above.

⁴¹ See, e.g., *New Life Community Temple of Faith, Inc.*, Memorandum Opinion and Order, 34 FCC Rcd 648, 651, para. 8 (2019) (citing *Chapin Enterprises, LLC*, Memorandum Opinion and Order, 29 FCC Rcd 4250, 4252 (2014); *Chet-5 Broadcasting, L.P.*, Memorandum Opinion and Order, 14 FCC Rcd 13041, 13042 (1999); *Office of Communications of the United Church of Christ v. FCC*, 359 F.2d 994, 1000-1006 (D.C. Cir. 1966)); *Entercom License, LLC*, Hearing Designation Order, 31 FCC Rcd 12196, 12205, para. 22 (2016).

⁴² 47 CFR § 73.3587; see also *Entercom License, LLC*, Hearing Designation Order, 31 FCC Rcd 12196, 12206, para. 23 (2016) (petition to deny treated as an informal objection due to lack of standing).

⁴³ 47 U.S.C. § 309(d)(1) (stating that the "petitioner shall serve a copy of such petition on the applicant" and that a petition to deny "contain specific allegations of fact sufficient to show . . . that a grant of the application would be prima facie inconsistent with" the standards for grant of the application at issue and requiring that such allegations, except for those of which official notice may be taken "be supported by affidavit of a person or persons with personal knowledge thereof"); see also 47 CFR § 73.3584.

⁴⁴ See, e.g., *Great Trails Broadcasting Corp.*, Memorandum Opinion and Order, 39 FCC 2d 39, 45, para. 18 (1972); *Finer Living, Inc.*, Memorandum Opinion and Order, 5 FCC 2d 984, 987 (1966).

⁴⁵ See *infra* paras. 29-30.

⁴⁶ See *id.*

C. Substantive Issues

19. For the reasons discussed below, we reject the arguments in the MRC Petition and the Patasnik objection, grant a waiver of Section 1.5000(a)(1), and find that grant of the Application, conditioned upon the filing of a petition for declaratory ruling within 30 days of closing, is in the public interest.

1. *Waiver of Section 1.5000(a)(1).*

20. As stated above, to promptly effectuate its reorganization plan, the Applicant proposes a two-step process. It first seeks Commission approval of assignment of the station licenses. Once that assignment is consummated, it proposes that Reorganized Audacy will file a petition for declaratory ruling within 30 days for approval to have foreign ownership interests above the 25% benchmark set forth in section 310(b) of the Act.⁴⁷ In this regard, the Applicant requests a temporary and limited waiver of section 1.5000(a)(1) of the Commission's rules, which requires an applicant for the transfer of control or assignment of a broadcast station license to file a petition for declaratory ruling "at the same time that it files its application." As the Applicant notes, in asking for this waiver, it seeks no more than what other licensees emerging from bankruptcy have been granted.⁴⁸ We agree, and consistent with our long-held policy of, when possible, accommodating the goals of the federal bankruptcy laws with the goals inherent in the Communications Act and facilitating the emergence of licensees from bankruptcy,⁴⁹ we find there is good cause to grant the waiver.

⁴⁷ 47 U.S.C. § 310(b). See Amended Comprehensive Exhibit at 1.

⁴⁸ Amended Comprehensive Exhibit at 10. See, e.g., *Cumulus Media, Inc., Debtor-in-Possession Seeks Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 33 FCC Rcd 5243 (MB 2018) (approving transfer of control applications involving use of special warrants to facilitate the licensee's emergence from bankruptcy); *iHeart Media, Inc., Debtor-in-Possession Seeks Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 34 FCC Rcd 2409 (MB 2019) (approving transfer of control applications involving use of special warrants to facilitate the licensee's emergence from bankruptcy); *Liberian Television of Dallas License LLC, Debtor-in-Possession et al.*, Order, 34 FCC Rcd 8543 (MB 2019) (approving transfer applications and the use of special warrants for potential foreign interest holders, along with a temporary waiver of section 1.5000(a)(1) of the Commission's rules, conditioned upon Liberman filing a petition for declaratory ruling within 30 days of closing the transaction); *Applications Granted for the Transfer of Control of Windstream Holdings, Inc., Debtor-in-Possession, and Subsidiaries*, Public Notice, 35 FCC Rcd 10076 (WCB, IB, WTB 2020) (finding that a temporary and limited waiver of section 1.5000(a)(1) would effectively provide interim section 310(b)(4) authority and enable Windstream's prompt emergence from bankruptcy while preserving the ability to review and rule on its proposed foreign ownership upon emergence from bankruptcy); *Applications Granted for the Transfer of Control of Fusion Connect, Inc., Debtor-in-Possession, and Subsidiaries*, Public Notice, 35 FCC Rcd 409 (WCB, IB 2020) (finding that a temporary and limited waiver of section 1.5000(a)(1) would effectively provide interim section 310(b)(4) authority in order to enable Fusion Connect's prompt emergence from bankruptcy while preserving the ability to review and rule on its proposed foreign ownership upon emergence from bankruptcy); *America-CV Station Group, Debtor-in-Possession*, Order, 36 FCC Rcd 7291 (MB 2021) (approving transfer of control applications and temporary waiver of section 1.5000(a)(1) to facilitate the licensee's emergence from bankruptcy); and *Alpha Media Licensee LLC, Debtor-in-Possession et al.*, Order, 36 FCC Rcd 10891 (MB 2021) (approving transfer applications and the use of special warrants for potential foreign interest holders, along with a temporary waiver of section 1.5000(a)(1) of the Commission's rules, conditioned upon New Alpha filing a petition for declaratory ruling within 30 days of closing the transaction).

⁴⁹ See, e.g., *WorldCom, Inc. and its Subsidiaries, (debtors-in-possession), Transferor, and MCI, Inc., Transferee, Applications to Transfer and/or Assign Section 214 Authorizations, Section 310 Licenses, and Submarine Cable Landing Licenses*, 18 FCC Rcd 26484, 26503 para. 29 (2003) (*WorldCom/MCI Transfer Order*). Further, as the Commission stated, "facilitating a telecommunications service provider's successful emergence from bankruptcy advances the public interest by providing economic and social benefits, especially including the compensation of innocent creditors." *Id.* See also *LaRose v. Federal Communications Commission*, 494 F.2d 1145, 1148 (D.C. Cir. 1974) ("In recognition of the public interest in protecting innocent creditors, the Commission will approve the sale and assignment of the bankrupt's license when the transaction will not unduly interfere with the FCC mandate to

(continued....)

21. *The Record.* The Applicant argues that because the processing and reviewing of a petition for declaratory ruling typically takes several months, seeking that ruling concurrently with the Application would significantly delay the emergence of Audacy from bankruptcy, imposing substantial burdens on the company, which in turn would impact radio broadcast services to the public. The Applicant contends that the expedited emergence of Audacy from bankruptcy with substantially less debt and improved operational arrangements will preserve current radio broadcast operations and allow it to remain a competitive radio broadcaster. The Applicant further contends that emerging from bankruptcy more quickly will also avoid significant additional administrative costs that the company would incur in a protracted bankruptcy proceeding.⁵⁰ By contrast, the Applicant argues, delaying its emergence from bankruptcy would imperil its restructuring.⁵¹ Ultimately, it argues, a waiver would allow the company to more quickly focus attention and resources toward serving the local communities in which its stations operate and fulfilling its obligations to its advertisers. The Applicant commits that Reorganized Audacy will file a petition for declaratory ruling within 30 days after the consummation of the assignment of license and will accept that requirement as a condition of the grant of the Application.⁵² It also states that the terms of the Special Warrants will ensure that any foreign holders would not have any equity or voting interests in contravention of the Communications Act and Commission rules, and that after emerging from bankruptcy, it will continue to monitor and assess its compliance with applicable foreign ownership limitations under the Communications Act, the Commission's rules, and any declaratory ruling that the Commission issues to ensure it does not exceed those limits.⁵³

22. MRC objects, arguing that approval of the requested waiver is unprecedented and that the Applicant is somehow seeking specialized treatment.⁵⁴ MRC is incorrect. The Applicant is not asking the Commission to break new ground; rather, it is following a well-worn path. The stock structure proposed by the Applicant has been approved for decades.⁵⁵ And, as the Applicant has stated, the Bureaus have previously addressed the need to balance the competing public interests of facilitating a licensee's emergence from bankruptcy with the need to review and approve foreign ownership above the statutory threshold and have accordingly granted waivers to permit the two-step approval process the Applicant seeks to use in this case.⁵⁶

23. *Discussion.* The Commission's rules may be waived for good cause shown.⁵⁷ Waiver of the Commission's rules is appropriate only if special circumstances warrant a deviation from the rule and

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insure that broadcast licenses are used and transferred consistently with the Communications Act.”); *Maritime Communications/Land Mobile, LLC*, 31 FCC Rcd 13729, 13737-38 para. 17 (2016).

⁵⁰ Amended Comprehensive Exhibit at 11.

⁵¹ *Id.* at 12.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ MRC Petition at 3-4.

⁵⁵ See, e.g., *Applications of Univision Holdings, Inc. and Perenchio Television, Inc.*, Memorandum Opinion and Order, 7 FCC Rcd 6672, 6674 (1992).

⁵⁶ We note that prior to the Commission streamlining its foreign ownership rules and procedures for broadcast licenses, which became effective in 2017, few broadcast licensees sought approval for foreign ownership above the 25% benchmark contained in section 310(b). See *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272 (2016).

⁵⁷ 47 CFR § 1.3.

such deviation will serve the public interest.⁵⁸ The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.⁵⁹ It may also take into account considerations of hardship, equity, or effective implementation of overall policy on an individual basis.⁶⁰

24. It has long been the Commission's policy to facilitate the emergence of licensees from bankruptcy in order to "support the goals of the bankruptcy laws and, where possible, to accommodate those goals with the goals inherent in the Communications Act."⁶¹ Granting a temporary limited waiver of the petition for declaratory ruling filing requirement here effectively provides Audacy with only interim section 310(b)(4) authority⁶² – enabling its prompt emergence from bankruptcy but still preserving the Commission's and the Executive Branch's ability to review the proposed foreign ownership.⁶³ The Applicant has committed that Reorganized Audacy will file a petition for declaratory ruling within 30 days of the consummation of the assignment of the station licenses, so that the Commission can review the foreign ownership status of the Special Warrants under the Act and the Commission's rules.⁶⁴ The Commission retains the authority, upon review of the petition, to determine that ownership of the Special Warrants (or any equity interests into which they may be converted) would be inconsistent with the public interest under section 310(b)(4). Furthermore, under the terms of the Special Warrants, "no [Special Warrant] Holder shall be entitled to exercise any Special Warrant until all Regulatory Approvals required to be made to or obtained from any Governmental Authority with jurisdiction over the Reorganized Parent or its Subsidiaries have been made or obtained," and

⁵⁸ *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969) (*WAIT Radio*); *Network IP, LLC v. FCC*, 548 F.3d 116, 125-128 (D.C. Cir. 2008).

⁵⁹ *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

⁶⁰ *WAIT Radio*, 418 F.2d at 1157.

⁶¹ See, e.g., *WorldCom/MCI Transfer Order*, 18 FCC Rcd at 26503 para. 29 ("facilitating a telecommunications service provider's successful emergence from bankruptcy advances the public interest by providing economic and social benefits, especially including the compensation of innocent creditors"). *Id.* See also *LaRose v. Federal Communications Commission*, 494 F.2d 1145, 1148 (D.C. Cir. 1974) ("In recognition of the public interest in protecting innocent creditors, the Commission will approve the sale and assignment of the bankrupt's license when the transaction will not unduly interfere with the FCC mandate to insure that broadcast licenses are used and transferred consistently with the Communications Act."); *Maritime Communications/Land Mobile, LLC*, 31 FCC Rcd 13729, 13737-38 para. 17 (2016).

⁶² *Mobile Satellite Ventures Subsidiary LLC and SkyTerra Communications Inc., Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act, as Amended*, Order and Declaratory Ruling, 23 FCC Rcd 4436, 4444, para. 18 (2008) (granting the petitioners authority to hold on an interim basis up to a non-controlling 49.99% equity and voting interest in SkyTerra Communications subject to and without prejudice to any action the Commission may take on the associated request for permanent authority). We note that the Commission staff frequently works with applicants and licensees to address and resolve impediments to identifying ownership interests. See *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272, 11312, para. 88, n. 224 (2016); cf. 47 CFR § 1.5004(f) (providing that a licensee that learns of an investment that renders the licensee non-compliant with its foreign ownership ruling or the Commission's rules relating to foreign ownership must file a petition for declaratory ruling or take other remedial action within 30 days of the date it learned of the non-compliant foreign interest(s)). As is the case with petitions for declaratory ruling filed pursuant to section 1.5004(f)(1), the Commission ultimately may require divestiture of a foreign investor's interest(s) in Reorganized Audacy and its subsidiaries. *Id.*

⁶³ The Commission refers section 310(b) foreign ownership petitions to the Executive Branch for review for national security, law enforcement, foreign policy and/or trade policy concerns. 47 CFR § 1.40001(a)(1). See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Report and Order, 35 FCC Rcd 10927, 10934-35, para. 24 (2020).

⁶⁴ Amended Comprehensive Exhibit at 12.

Reorganized Audacy may “prohibit the exercise of any Special Warrants if such exercise would . . . result in a violation of applicable laws or regulations.”⁶⁵

25. We find that consistent with our policy to accommodate the federal bankruptcy process where possible, and based on the particular facts presented here, the use of special warrants proposed by the Applicant and a temporary waiver of section 1.5000(a)(1) will facilitate the prompt emergence of Audacy DIP from bankruptcy, providing the benefits the Applicant describes while maintaining the required review of the proposed foreign ownership, and will thus serve the public interest.

26. Given the assumptions underlying the Application and waiver request, we clarify that, for purposes of calculating whether an individual or entity is a disclosable interest holder or requires specific approval in the context of filing the petition for declaratory ruling, Audacy License should include any outstanding special warrants in its calculation of the individual’s or entity’s pro rata equity interest (i.e., on a fully diluted basis).⁶⁶ The use of special warrants will be considered on a case-by-case, temporary and limited basis in the context of a bankruptcy proceeding until the filing of a petition for declaratory ruling concerning foreign ownership upon closing of the transaction.⁶⁷

2. Compliance with Ownership Rules.

27. As detailed in the Application, pursuant to the equity/debt plus rule, the indirect controlling parent of Laurel Tree, Fund for Policy Reform (FPR), holds a debt interest in Latino Media Network, LLC (LMN) that will become attributable upon FPR’s acquisition of an attributable interest in Reorganized Audacy. As a result, in a number of markets FPR will hold an attributable interest in stations licensed to LMN as well as the reorganized Audacy License. The Applicant asserts that the resulting combination of ownership interests complies with the Commission’s rules.⁶⁸ In addition, Audacy License DIP requests a continuation of the waiver currently held by the Applicant permitting common ownership of an expanded band AM station along with eight other broadcast radio stations in the Kansas City, MO-KS Nielsen Audio Market.⁶⁹

28. After reviewing the Applicant’s showing⁷⁰ and the relevant markets, we find that the combined ownership interests in those markets where FPR will hold an attributable interest in both Reorganized Audacy and LMN complies with the Commission’s Local Radio Ownership Rule.⁷¹ In addition, we grant the Applicant’s request for a continuation of the waiver of the Local Radio Ownership Rule previously granted for the Kansas City Nielsen Audio market. As noted in the Application, Audacy License DIP currently holds a waiver of section 73.3555(a) to retain an expanded band AM station, which

⁶⁵ See Special Warrant Agreement § 3.3(f).

⁶⁶ See, e.g., *Applications Granted for the Transfer of Control of Windstream Holdings, Inc., Debtor-in-Possession, & Subsidiaries*, 35 FCC Rcd 10076, 10083 (WCB, IB, WTB 2020).

⁶⁷ See, e.g., *Cumulus Media Inc. Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Declaratory Ruling, 35 FCC Rcd 5461 (MB 2020).

⁶⁸ Amended Comprehensive Exhibit at 7-8.

⁶⁹ *Id.*

⁷⁰ *Id.* at 7-9. At the time of application, Audacy License DIP had identified a single market—the Greenville-Spartanburg, SC Nielsen Audio Market—where the Applicant’s existing combination of stations no longer complied with the Local Radio Ownership Rule as a result of changes in the market over time. Accordingly, Audacy License DIP divested a station in that market, WSPA-FM, Simpsonville, SC (Facility ID No. 53623), in order to remain in compliance with the ownership limits. See 47 CFR § 73.3555, Note 4. The assignment of license of WSPA-FM to Norsan Media LLC was approved by the Media Bureau pursuant to Application File No. 0000242527 (granted July 9, 2024) and consummated on July 31, 2024. See Notice of Consummation, Application File No. 0000249961 (filed Aug. 1, 2024).

⁷¹ 47 CFR § 73.3555(a).

has allowed it to retain an attributable interest in nine commercial broadcast radio stations.⁷² The Bureau extended the waiver previously⁷³ and we find that it is in the public interest to do so again here in order to preserve AM service for the public.

3. Other Objections.

29. We find that MRC and Patasnik have failed to raise a substantial and material question of fact as to whether grant of the Application would serve the public interest. MRC and Patasnik also object to the potential involvement of George Soros or the Soros Fund Management; however, we note that neither of those entities appear as attributable interest holders in the Application. Even assuming that George Soros and/or the Soros Fund Management were attributable interest holders, the MRC Petition and the Patasnik comment fail to raise a substantial and material question of fact as to those parties' qualifications to hold an interest in a broadcast license.⁷⁴ Accordingly, we reject both MRC's and Patasnik's objection as to the potential involvement of George Soros and the Soros Fund Management.

30. To the extent that MRC or Patasnik objects to the programming that Audacy License or its attributable interest holders might air on the Stations, we note that it is a well-established and fundamental principle that the Commission does not interfere with the programming decisions of licensees, nor does it consider issues of programming choice when reviewing an application for the assignment or transfer of a broadcast license.⁷⁵ Indeed, both the First Amendment to the Constitution and section 326 of the Act prohibit the Commission from interfering with the free speech rights of broadcast licensees, including the choice of programming or formats.⁷⁶ Accordingly, it would be improper for us to take adverse action on the Application based upon MRC's or Patasnik's speculation about the licensee's future programming decisions. As the Commission has stated clearly—and repeatedly—in the past, a “licensee has broad discretion — based on its right to free speech — to choose, in good faith, the programming it believes serves the needs and interests of its community of license.”⁷⁷

⁷² Audacy License DIP presently holds an interest in four FM stations and five AM stations in the Kansas City Market pursuant to a waiver granted in *Entercom Kansas City License, LLC*, Memorandum Opinion and Order, 17 FCC Rcd 24197 (2002) (waiving the local radio ownership provisions of section 73.3555(a)(1) for five years from the licensing of KXTR(AM)).

⁷³ The waiver was subsequently extended in 2017. See *Entercom Communications and CBS Radio Seek Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 32 FCC Rcd 9380, 9387, para. 23 (MB 2017).

⁷⁴ *Applications of Tribune Media Company (Transferor) and Nexstar Media Group, Inc. (Transferee) et al.*, Memorandum Opinion and Order, 84 FCC Rcd 8436, 8453, para. 32 (2019) (speculative allegations are not sufficient to raise a substantial and material question of fact as to whether grant of applications seeking consent to the transfer of control of licensees would serve the public interest); *Pinelands, Inc. and BHC Communications, Inc.*, Memorandum Opinion and Order, 7 FCC Rcd 6058, 6058, n.2 (1992) (denying request for investigation based solely on speculation).

⁷⁵ See, e.g., *Changes in the Entertainment Formats of Broadcast Stations*, Memorandum Opinion and Order, 60 FCC 2d 858, 865-66 (1976), *recon. denied*, Memorandum Opinion and Order, 66 FCC 2d 78 (1977), *rev'd sub nom. WNCN Listeners Guild v. FCC*, 610 F.2d 838 (D.C. Cir. 1979), *rev'd*, 450 U.S. 582 (1981) (review of program formats (1) is not required by the Communications Act of 1934, as amended, (2) would not benefit the public, (3) would deter innovation, and (4) would impose substantial administrative burdens on the Commission).

⁷⁶ U.S. Const. amend. I; 47 U.S.C. § 326 (“Nothing in [the] Act shall be understood or construed to give the Commission the power of censorship over radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated . . . by the Commission which shall interfere with the right of free speech by means of radio communication”).

⁷⁷ *Pacifica Foundation, Inc.*, Memorandum Opinion and Order, 31 FCC Rcd 13566, 13566, para. 3 (2016) (rejecting call for Commission to take adverse action on a broadcast license renewal application based upon the subjective determination of a listener group that the station had broadcast purportedly inappropriate programming citing constitutional and statutory free speech protections) (citations omitted). See also *Time-Life Broadcast, Inc.*,

(continued....)

IV. CONCLUSION

31. We have reviewed the Application and related filings. For the reasons set forth above, we find that the proposed assignee, Audacy License, is fully qualified and conclude that the grant of the Application, conditioned upon the filing of a petition for declaratory ruling within 30 days of closing on the transaction described therein, would serve the public interest.

V. ORDERING CLAUSES

32. Accordingly, **IT IS ORDERED** that, pursuant to sections 73.3584 and 73.3587 of the Commission's rules, 47 CFR §§ 73.3584, 73.3587, the Petition to Deny filed by Media Research Center on April 22, 2024 (Pleading File No. 0000243806) **IS DISMISSED** as a procedurally defective petition to deny **AND ALTERNATIVELY DENIED** on the merits as an informal objection.

33. **IT IS FURTHER ORDERED** that the Informal Objection filed by Ira Warren Patasnik on June, 20, 2024 (Pleading File No. 0000246460) **IS DENIED**.

34. **IT IS FURTHER ORDERED** that the request for a temporary waiver of section 1.5000(a)(1) of the Commission's rules, 47 CFR § 1.5000(a)(1), **IS GRANTED**.

35. **IT IS FURTHER ORDERED** that the above-captioned application (Application File No. 0000241074 et al.) **IS GRANTED**, conditioned upon the filing, no later than 30 days after consummation of the assignment of licenses, of a petition for declaratory ruling to exceed the aggregate foreign ownership benchmark set forth in section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(b)(4).

36. **IT IS FURTHER ORDERED** that section 73.3555(a) of the Commission's rules, 47 CFR § 73.3555(a), **IS WAIVED** to permit the assignment of Audacy License DIP's existing authorizations in the Kansas City, Missouri, market to Audacy License as proposed in the above-captioned application (Application File Nos. 0000241074 et al.).

37. These actions are taken pursuant to sections 4(i) and (j), and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 310(d).

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

Appendix

STATIONS SUBJECT TO NON PRO FORMA ASSIGNMENT FROM AUDACY LICENSE, LLC, AS DEBTOR-IN-POSSESSION, TO AUDACY LICENSE, LLC

Call Sign	Service	City	State	Facility ID	File Number
WROQ	FM	ANDERSON	SC	318	0000241074
WQMG	FM	GREENSBORO	NC	47078	0000241075
KITS-FM4	FB	ANTIOCH	CA	18526	0000241076
KALC	FM	DENVER	CO	59601	0000241077
KRBQ	FM	SAN FRANCISCO	CA	65486	0000241078
WUSN	FM	CHICAGO	IL	28620	0000241079
WBZA	FM	ROCHESTER	NY	71204	0000241080
WSTR	FM	SMYRNA	GA	30822	0000241081
K281AD	FX	OLYMPIA	WA	18515	0000241082
WEEI	AM	BOSTON	MA	1912	0000241083
WMC-FM	FM	MEMPHI	TN	59449	0000241084
KRSK	FM	MOLALLA	OR	68213	0000241085
W280FJ	FX	BLOOMSBURG	PA	141527	0000241086
WCFS-FM	FM	ELMWOOD PARK	IL	71283	0000241087
KQRC-FM	FM	LEAVENWORTH	KS	74101	0000241089
KNX	AM	LOS ANGELES	CA	9616	0000241090
WSSP	AM	MILWAUKEE	WI	27030	0000241091
WDZH	FM	DETROIT	MI	25448	0000241092
KITS-FM1	FB	WALNUT CREEK	CA	18524	0000241093
WPHI-FM	FM	JENKINTOWN	PA	30572	0000241094
W253BI	FX	GLEN ALLEN	VA	148159	0000241095
KIFM	AM	WEST SACRAMENTO	CA	67848	0000241096
WBEB	FM	PHILADELPHIA	PA	71382	0000241097
K276FK	FX	DENVER	CO	157107	0000241098
KYCH-FM	FM	PORTLAND	OR	35034	0000241099
KMOX	AM	ST. LOUIS	MO	9638	0000241100
KMBZ	AM	KANSAS CITY	MO	6382	0000241101
KEZK-FM	FM	ST. LOUIS	MO	13507	0000241102
KFRC-FM	FM	SAN FRANCISCO	CA	20897	0000241103
WXYT	AM	DETROIT	MI	28627	0000241104
WQAL	FM	CLEVELAND	OH	72889	0000241105
WINS	AM	NEW YORK	NY	25451	0000241106
KISW	FM	SEATTLE	WA	47750	0000241107
WWBX	FM	BOSTON	MA	26897	0000241108
WKRF	FM	TOBYHANNA	PA	14643	0000241109
KFH	AM	WICHITA	KS	53598	0000241110
WRVA	AM	RICHMOND	VA	11914	0000241111
WVKL	FM	NORFOLK	VA	4672	0000241112
WSKY-FM	FM	MICANOPY	FL	23352	0000241113

Call Sign	Service	City	State	Facility ID	File Number
WOMX-FM	FM	ORLANDO	FL	47746	0000241114
WNEW-FM	FM	NEW YORK	NY	25442	0000241115
W286DJ	FX	RICHMOND	VA	140347	0000241116
WPTE	FM	VIRGINIA BEACH	VA	64004	0000241117
KAMX	FM	LULING	TX	48651	0000241118
WTEM	AM	WASHINGTON	DC	25105	0000241119
WXRT	FM	CHICAGO	IL	16853	0000241120
KRLD-FM	FM	DALLAS	TX	1087	0000241121
WYCD	FM	DETROIT	MI	1089	0000241122
WDSY-FM	FM	PITTSBURGH	PA	18525	0000241123
WDOK	FM	CLEVELAND	OH	28525	0000241124
KGMZ-FM	FM	SAN FRANCISCO	CA	25446	0000241125
WKXJ	FM	WALDEN	TN	14735	0000241126
WVEE	FM	ATLANTA	GA	63776	0000241127
KSON	FM	SAN DIEGO	CA	59816	0000241128
KZPT	FM	KANSAS CITY	MO	6379	0000241129
WBGB	FM	BOSTON	MA	9639	0000241130
KIKK	AM	PASADENA	TX	25450	0000241131
WFUN-FM	FM	ST. LOUIS	MO	27022	0000241132
WLIF	FM	BALTIMORE	MD	28637	0000241133
W249AR	FX	ASHEVILLE	NC	66403	0000241134
WWEI	FM	EASTHAMPTON	MA	11295	0000241135
KLUC-FM	FM	LAS VEGAS	NV	47744	0000241136
KNSS-FM	FM	CLEARWATER	KS	23292	0000241137
KJCE	AM	ROLLINGWOOD	TX	1243	0000241138
KCBS-FM	FM	LOS ANGELES	CA	9612	0000241139
WRVR	FM	MEMPHIS	TN	34375	0000241140
KWFN-FM2	FB	RAMONA	CA	203667	0000241141
KLUV	FM	DALLAS	TX	67195	0000241142
KROQ-FM1	FB	SANTA CLARITA	CA	180881	0000241143
KMXB	FM	HENDERSON	NV	51676	0000241144
WKSE	FM	NIAGARA FALLS	NY	34384	0000241145
K254CR	FX	ST. LOUIS	MO	138424	0000241146
WPHT	AM	PHILADELPHIA	PA	9634	0000241147
KITS	FM	SAN FRANCISCO	CA	18510	0000241148
WGR	AM	BUFFALO	NY	56101	0000241149
WVEI-FM	FM	WESTERLY	RI	71720	0000241150
WKRK-FM	FM	CLEVELAND HEIGHTS	OH	74473	0000241151
W225CZ	FX	NEW ORLEANS	LA	148534	0000241152
WYRD	AM	GREENVILLE	SC	34389	0000241153
WAAF	AM	SCRANTON	PA	36200	0000241154
KWFN	FM	SAN DIEGO	CA	30832	0000241155
WCBS	AM	NEW YORK	NY	9636	0000241156

Call Sign	Service	City	State	Facility ID	File Number
KLLC-FM2	FB	PLEASANTON	CA	178408	0000241157
KYYS	AM	KANSAS CITY	KS	73938	0000241158
W284AP	FX	BUFFALO	NY	9254	0000241159
WFBC-FM	FM	GREENVILLE	SC	34390	0000241160
WPGC-FM	FM	MORNINGSIDE	MD	28632	0000241161
WBMX	FM	CHICAGO	IL	28621	0000241162
KFRG	FM	SAN BERNARDINO	CA	1241	0000241163
KGMZ-FM2	FB	WALNUT CREEK	CA	25447	0000241164
WODS	AM	WEST HAZLETON	PA	22667	0000241165
K277AE	FX	SEATTLE	WA	18522	0000241166
WCCO	AM	MINNEAPOLIS	MN	9642	0000241167
KGON	FM	PORTLAND	OR	2432	0000241168
KKDO	FM	FAIR OAKS	CA	6810	0000241169
KNDD	FM	SEATTLE	WA	34530	0000241170
WZGC	FM	ATLANTA	GA	13805	0000241171
WGGY-FM3	FB	HAZLETON	PA	203403	0000241172
WOLX-FM	FM	BARABOO	WI	60236	0000241173
WHHL	FM	HAZELWOOD	MO	74578	0000241174
WLZL	FM	COLLEGE PARK	MD	20983	0000241175
KWFN-FM4	FB	ESCONDIDO	CA	203664	0000241176
WGGY-FM1	FB	HONESDALE	PA	91317	0000241177
KRXQ	FM	SACRAMENTO	CA	20354	0000241178
WCBS-FM	FM	NEW YORK	NY	9611	0000241179
WMC	AM	MEMPHIS	TN	19185	0000241180
WUSY	FM	CLEVELAND	TN	12315	0000241181
KCSP	AM	KANSAS CITY	MO	11270	0000241182
WORD	AM	SPARTANBURG	SC	66390	0000241183
KRBQ-FM2	FB	SAN FRANCISCO	CA	137626	0000241184
W289CB	FX	MILWAUKEE	WI	157544	0000241185
WYRD-FM	FM	SPARTANBURG	SC	66400	0000241186
KDGS	FM	ANDOVER	KS	70266	0000241187
WKIS	FM	BOCA RATON	FL	64001	0000241188
KWJJ-FM	FM	PORTLAND	OR	13738	0000241189
WBBM-FM	FM	CHICAGO	IL	9613	0000241190
KZJK	FM	ST. LOUIS PARK	MN	54425	0000241191
WINS-FM	FM	NEW YORK	NY	58579	0000241192
WWL	AM	NEW ORLEANS	LA	34377	0000241193
K248CY	FX	WICHITA	KS	141945	0000241194
KJKK	FM	DALLAS	TX	63779	0000241195
WCMF-FM	FM	ROCHESTER	NY	1905	0000241196
WSFS	FM	MIRAMAR	FL	29567	0000241197
KSEG	FM	SACRAMENTO	CA	11281	0000241198
WMAS-FM	FM	ENFIELD	CT	36543	0000241199

Call Sign	Service	City	State	Facility ID	File Number
KMVK	FM	FORT WORTH	TX	23440	0000241200
WLYF	FM	MIAMI	FL	30827	0000241201
WLMG	FM	NEW ORLEANS	LA	34376	0000241202
KILT-FM	FM	HOUSTON	TX	25439	0000241203
KFTK-FM	FM	FLORISSANT	MO	73890	0000241204
WILK-FM	FM	AVOCA, PA	PA	22666	0000241205
KRTH	FM	LOS ANGELES	CA	28631	0000241206
WWKB	AM	BUFFALO	NY	34383	0000241207
KHMX	FM	HOUSTON	TX	47749	0000241208
KITS-FM2	FB	PLEASANTON	CA	18521	0000241209
KMBZ-FM	FM	KANSAS CITY	KS	2449	0000241210
KDKA-FM	FM	PITTSBURGH	PA	20350	0000241211
KNSS	AM	WICHITA	KS	53152	0000241212
WLKK	FM	WETHERSFIELD TWNSHP	NY	9250	0000241213
WKRZ	FM	FREELAND	PA	34379	0000241214
KHTP	FM	TACOMA	WA	18513	0000241215
KLOL	FM	HOUSTON	TX	35073	0000241216
WWWS	AM	BUFFALO	NY	56104	0000241217
WDCH-FM	FM	BOWIE	MD	72177	0000241218
KMNB	FM	MINNEAPOLIS	MN	9641	0000241219
KFRC-FM1	FB	PLEASANTON	CA	178412	0000241220
KXSN	FM	SAN DIEGO	CA	34589	0000241221
WLMZ-FM	FM	PITTSTON	PA	22925	0000241222
WXYT-FM	FM	DETROIT	MI	9618	0000241223
KXQQ-FM	FM	HENDERSON	NV	12560	0000241224
KXNT	AM	NORTH LAS VEGAS	NV	33068	0000241225
W251CT	FX	SPRINGFIELD	MA	200871	0000241226
KFXX	AM	PORTLAND	OR	57830	0000241227
WBTJ	FM	RICHMOND	VA	74168	0000241228
W297AB	FX	BUFFALO	NY	9253	0000241229
WIAD	FM	BETHESDA	MD	9619	0000241230
WOGL	FM	PHILADELPHIA	PA	9622	0000241231
WVEI	AM	WORCESTER	MA	74466	0000241232
WJMH	FM	REIDSVILLE	NC	40754	0000241233
WWWL	AM	NEW ORLEANS	LA	72959	0000241234
WMXJ	FM	POMPANO BEACH	FL	30840	0000241235
WNVZ	FM	NORFOLK	VA	40755	0000241236
WGGY-FM2	FB	EAST STROUDSBURG	PA	190777	0000241237
KYKY	FM	ST. LOUIS	MO	20358	0000241238
WXBK	FM	NEWARK	NJ	20886	0000241239
K268CS	FX	LAS VEGAS	NV	157046	0000241240
KMLE	FM	CHANDLER	AZ	59965	0000241241
KMTT	AM	VANCOUVER	WA	35033	0000241242

Call Sign	Service	City	State	Facility ID	File Number
WAOK	AM	ATLANTA	GA	63775	0000241243
WBBM	AM	CHICAGO	IL	9631	0000241244
WRXL	FM	RICHMOND	VA	11961	0000241245
WJZ-FM	FM	CATONSVILLE	MD	1916	0000241246
WDAF-FM	FM	LIBERTY	MO	8609	0000241247
WNCX	FM	CLEVELAND	OH	41390	0000241248
WRXR-FM	FM	ROSSVILLE	GA	72375	0000241249
KVIL	FM	HIGHLAND PARK-DALLAS	TX	28624	0000241250
KALV-FM	FM	PHOENIX	AZ	63913	0000241251
KNRK	FM	CAMAS	WA	51213	0000241252
KLLC	FM	SAN FRANCISCO	CA	9624	0000241253
WRCH	FM	NEW BRITAIN	CT	1910	0000241254
WBEN	AM	BUFFALO	NY	34381	0000241255
KXFG	FM	MENIFEE	CA	63912	0000241256
KRLD	AM	DALLAS	TX	59820	0000241257
WJZ	AM	BALTIMORE	MD	28636	0000241258
WWMX	FM	BALTIMORE	MD	74196	0000241259
KKWF	FM	SEATTLE	WA	6367	0000241260
KKHH	FM	HOUSTON	TX	25449	0000241261
KQKS	FM	LAKEWOOD	CO	35574	0000241262
WHLL	AM	SPRINGFIELD	MA	36545	0000241263
WKBU	FM	NEW ORLEANS	LA	52434	0000241264
WTIC-FM	FM	HARTFORD	CT	66465	0000241265
WMFS	AM	MEMPHIS	TN	34374	0000241266
WPXY-FM	FM	ROCHESTER	NY	53966	0000241267
WEEI-FM	FM	LAWRENCE	MA	1919	0000241268
KEYN-FM	FM	WICHITA	KS	53151	0000241269
WBZZ	FM	NEW KENSINGTON	PA	20351	0000241270
K240EL	FX	AUSTIN	TX	156299	0000241271
WQAM	AM	MIAMI	FL	64002	0000241272
KSWD	FM	SEATTLE	WA	20356	0000241273
WTIC	AM	HARTFORD	CT	66464	0000241274
WSMW	FM	GREENSBORO	NC	71272	0000241275
KYXY	FM	SAN DIEGO	CA	51671	0000241276
KOOL-FM	FM	PHOENIX	AZ	13506	0000241277
WRNL	AM	RICHMOND	VA	11960	0000241278
KILT	AM	HOUSTON	TX	25440	0000241279
WWJ	AM	DETROIT	MI	9621	0000241280
WJFK	AM	MORNINGSIDE	MD	28638	0000241281
KROQ-FM	FM	PASADENA	CA	28622	0000241282
WXSS	FM	WAUWATOSA	WI	27031	0000241283
WOMC	FM	DETROIT	MI	28623	0000241284
WAXY	AM	SOUTH MIAMI	FL	30837	0000241285

Call Sign	Service	City	State	Facility ID	File Number
KTWV	FM	LOS ANGELES	CA	25437	0000241286
WKTK	FM	CRYSTAL RIVER	FL	18520	0000241287
W241AP	FX	MIDLOTHIAN	VA	139538	0000241288
WOCL	FM	DELAND	FL	10138	0000241289
WMJX	FM	BOSTON	MA	25052	0000241290
KYW	AM	PHILADELPHIA	PA	25441	0000241291
KNX-FM	FM	LOS ANGELES	CA	25075	0000241292
WSCR	AM	CHICAGO	IL	25445	0000241293
WIP-FM	FM	PHILADELPHIA	PA	28628	0000241294
KWFN-FM1	FB	LA JOLLA	CA	203647	0000241295
WWDE-FM	FM	HAMPTON	VA	40753	0000241296
WROC	AM	ROCHESTER	NY	71205	0000241297
KKMJ-FM	FM	AUSTIN	TX	66489	0000241298
KUDL	FM	SACRAMENTO	CA	57889	0000241299
KAMP	AM	AURORA	CO	67843	0000241300
WFAN-FM	FM	NEW YORK	NY	67846	0000241301
WWL-FM	FM	KENNER	LA	52435	0000241302
KWFN-FM3	FB	SAN MARCOS	CA	203665	0000241303
WEZB	FM	NEW ORLEANS	LA	20346	0000241304
WMYX-FM	FM	MILWAUKEE	WI	27029	0000241305
KBZT	FM	SAN DIEGO	CA	58816	0000241306
WZMX	FM	HARTFORD	CT	1900	0000241307
WTPT	FM	FOREST CITY	NC	4677	0000241308
WLND	FM	SIGNAL MOUNTAIN	TN	72371	0000241309
WPAW	FM	WINSTON-SALEM	NC	40752	0000241310
WMHX	FM	WAUNAKEE	WI	73655	0000241311
KDKA	AM	PITTSBURGH	PA	25443	0000241312
KSFM	FM	WOODLAND	CA	59598	0000241313
KCBS	AM	SAN FRANCISCO	CA	9637	0000241314
W239BF	FX	ROCHESTER	NY	157394	0000241315
KRBZ	FM	KANSAS CITY	MO	57119	0000241316
WTDY-FM	FM	PHILADELPHIA	PA	51434	0000241317
KQMT	FM	DENVER	CO	26929	0000241318
WBEE-FM	FM	ROCHESTER	NY	71206	0000241319
WTVR-FM	FM	RICHMOND	VA	54387	0000241320
WJFK-FM	FM	MANASSAS	VA	28625	0000241321
WPOW	FM	MIAMI	FL	73893	0000241322
WFAN	AM	NEW YORK	NY	28617	0000241323
WQMP	FM	DAYTONA BEACH	FL	73137	0000241324
KWOD	AM	KANSAS CITY	KS	87143	0000241325
KFBZ	FM	HAYSVILLE	KS	53153	0000241326
WGGY	FM	SCRANTON	PA	36202	0000241327
WMMM-FM	FM	VERONA	WI	73663	0000241328

Call Sign	Service	City	State	Facility ID	File Number
WILK	AM	WILKES-BARRE	PA	34380	0000241329
WMFS-FM	FM	BARTLETT	TN	4653	0000241330
WRVQ	FM	RICHMOND	VA	11963	0000241331

**STATEMENT OF
CHAIRWOMAN JESSICA ROSENWORCEL**

Re: *In the Matter of Audacy License, LLC, as Debtor-in-Possession (Assignor) and Audacy License, LLC (Assignee) Application for Consent to Assignment of Licenses*, Memorandum Opinion and Order, Application File Nos. 0000241074 et al.

In this decision, we approve the assignment of licenses held by Audacy, which has been under the control of a bankruptcy court, to the new Audacy, so that the company can emerge from bankruptcy proceedings. The process we use to facilitate this license transfer is identical to the one recently used by the agency in the bankruptcy proceedings of Cumulus Media in 2018, iHeart Media in 2019, Liberman Television in 2019, Fusion Connect in 2019, Windstream Holdings in 2020, America-CV Station Group in 2021, and Alpha Media in 2021. To suggest otherwise is cynical and wrong, as this precedent clearly demonstrates. Our practice here and in these prior cases is designed to facilitate the prompt and orderly emergence from bankruptcy of a company that is a licensee under the Communications Act.

**DISSENTING STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *In the Matter of Audacy License, LLC, as Debtor-in-Possession (Assignor) and Audacy License, LLC (Assignee) Application for Consent to Assignment of Licenses*, Memorandum Opinion and Order, Application File Nos. 0000241074 et al.

The Commission’s decision today is unprecedented. Never before has the Commission voted to approve the transfer of a broadcast license—let alone the transfer of broadcast licenses for over 200 radio stations across more than 40 markets—without following the requirements and procedures codified in federal law.¹ Not once. And yet the Commission breaks this new ground today without seeking public comment on altering our established regulations, without actually changing the rules on the books, and without seeking the feedback of other federal agencies with relevant equities.

Let’s start with black letter law. Section 310(b) of the Communications Act requires the FCC to review foreign investment in broadcast licenses.² Specifically, Congress provided in Section 310(b)(4) that no broadcast radio license shall be granted to any corporation that has more than 25 percent foreign investment if the FCC determines that the public interest would be served by refusing to approve the license transfer.³ Historically, Section 310(b)(4)’s 25 percent benchmark operated as a *de facto* cap on foreign ownership in the broadcast context. But that changed during the 2010s.

In 2015, through a Commission vote, we sought comment on establishing a process for reviewing and approving license transfers to corporations with excessive foreign ownership—meaning, ownership in excess of Section 310(b)(4)’s statutory benchmark.⁴ Back then, the Commission issued a Notice of Proposed Rulemaking,⁵ it proposed the text of specific rules,⁶ it published a summary of those proposals in the Federal Register,⁷ and it sought public comment over the course of nearly an entire year. Importantly, during that rulemaking, the Commission solicited input from the relevant Executive Branch agencies known as “Team Telecom,” which are responsible for reviewing excessive foreign ownership of FCC licensees for national security and related policy concerns. Then, in 2016, the Commission adopted an order that codified in federal law one and only one mechanism for the FCC to review and approve the acquisition of broadcast licenses by corporations with excessive foreign ownership.⁸

¹ See 47 C.F.R. § 1.5000(a)(1).

² 47 U.S.C. § 310(b).

³ 47 U.S.C. § 310(b) & (b)(4) (“No broadcast . . . radio station license shall be granted to or held by—. . . any corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusal or revocation of such license.”).

⁴ *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Notice of Proposed Rulemaking, 30 FCC Rcd 11830 (2015).

⁵ *Id.*

⁶ *Id.*

⁷ See *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees*, 80 Fed. Reg. 68815-68833 (2015).

⁸ *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272 (2016) (“2016 Foreign Ownership Order”) (adopting 47 C.F.R. § 1.5000(a)(1)).

That one mechanism requires applicants to go through a specific petition for declaratory ruling process. First, the Code of Federal Regulations expressly states that, in cases involving excessive foreign ownership, licensees “shall file the petition for declaratory ruling required by this paragraph *at the same time* that it files its application.”⁹ Second, the Code of Federal Regulations provides that the petitioner must also “obtain . . . approval, *before* the aggregate foreign ownership” exceeds the 25 percent benchmark.¹⁰ Third, the Code of Federal Regulations and the Commission’s own decisions flesh out the petition for declaratory ruling process itself. In particular, the petition for declaratory ruling enables the Executive Branch’s Team Telecom agencies to review the transaction and advise the Commission of any national security, law enforcement, foreign policy, or trade policy concerns.¹¹ The Executive Branch’s Team Telecom review process historically could take in the neighborhood of six months.¹²

So far, so good. Federal law requires applicants with excessive foreign ownership to file a petition for declaratory ruling at the same time that they seek FCC approval for the relevant license transfers, they must then complete that process before the FCC can approve the assignment of licenses, and that process must enable Executive Branch agencies with national security and specific policy expertise to weigh in.¹³

But in this case, the Applicants decided that they did not need to comply with any of those legal requirements. The Applicants expressly state in their filings that they will have foreign investment in excess of Section 310(b)(4)’s 25 percent benchmark. Did they file the petition for declaratory ruling required by the Code of Federal Regulations? No, they did not. Did they obtain approval from the FCC for their excessive foreign ownership? No, they did not. Did the Applicants afford the Executive Branch agencies with national security and relevant policy expertise an opportunity to consider their application as well as the source and amount of foreign investment? No, they did not.

The Commission has never done this before. So why are we voting for a first-ever fast track today?

For their part, the Applicants argue that they should be able to skip the FCC’s regular review process because, in their view, subordinate components of the agency previously waived the rules in a few specific cases. As a threshold matter, though, many of the cited decisions did not involve any waiver of FCC rules.¹⁴ But putting aside whether or not those bureau-level decisions are on all fours, the

⁹ 47 C.F.R. § 1.5000(a)(1) (emphasis added).

¹⁰ *Id.* (emphasis added).

¹¹ *See, e.g., 2016 Foreign Ownership Order*, 31 FCC Rcd at 11273.

¹² *See generally Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Report and Order, 35 FCC Rcd. 13164 (2020) (adopting process reforms for the Team Telecom review).

¹³ After we codified this declaratory ruling framework in 2016, the Commission adopted orders in 2020 and 2021 that spelled out the information that any petition must include, and the Commission established a shot clock for the Team Telecom review. *See Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Second Report and Order, 36 FCC Rcd 14848 (2021); *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Report and Order, 35 FCC Rcd 10927 (2020).

¹⁴ *See, e.g., Order at para. 21 & n.48* (citing *Cumulus Media, Inc., Debtor-in-Possession Seeks Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 33 FCC Rcd 5243 (MB 2018); *iHeart Media, Inc., Debtor-in-Possession Seeks Approval to Transfer Control of and Assign FCC Authorizations and Licenses*, Memorandum Opinion and Order, 34 FCC Rcd 2409 (MB 2019)).

Applicants' reliance on them is misplaced for a more fundamental reason. It is hornbook law that staff-level decisions (whether they complied with federal law or not) do not set precedent for the Commission.¹⁵ So the Applicants' argument here only takes us back to the original starting point. Confronted with an issue of first impression, should we, the Commission, require the Applicants to follow the rules on the books or should the Commission vote, for the first time ever, to create a novel exception to those rules?

I think we should require the Applicants to follow our rules. Indeed, the Applicants make no compelling argument to the contrary. In fact, they make no real showing at all. The Applicants simply assert that following the established rules would imperil their quick emergence from bankruptcy. But that argument cannot be squared with the chronology in this case. The Applicants sought Commission approval for their license transfer over six months ago. There is no reason to think that the federal government could not have completed the normal review process by or around this time. And plainly, the restructuring has not been imperiled by the FCC's six-month consideration of this Application. So their one argument—that they do not have time to follow the law—comes up short.

But these are not my only concerns. The FCC's decision today rests on several additional errors that warrant reversal on appeal. For one, the decision cannot be squared with the agency's current approach to transaction reviews. For instance, in the Standard General-TEGNA proceeding, the agency found that it could not approve the requested license transfers because the applicants in that case failed to persuade the agency that they would not layoff or cut newsroom and other jobs.¹⁶ Under *Goose v. Gander*,¹⁷ the FCC must ding these Applicants for the same reason.¹⁸ Indeed, the Applicants in this case have made no jobs showing or commitment at all. If job losses are relevant to the FCC's transaction review analysis, then the agency cannot approve this takeover.

For another, and related reason, both the Commission and the Applicants have failed to rebut record evidence on this exact point. The record here shows that concerns have been raised about the Applicants cutting jobs once they take the reins at these more than 200 radio stations.¹⁹ But neither the Commission nor the Applicants offer any response. This is plain error meriting reversal on reconsideration or appeal.²⁰

¹⁵ See, e.g., *Comcast Corp. FCC*, 526 F.3d 763, 769 (D.C. Cir. 2008) (“[A] long line of cases in this circuit . . . unambiguously holds that an agency is not bound by unchallenged staff decisions. As we stated in a recent case, ‘[t]here is no authority for the proposition that a lower component of a government agency may bind the decision making of the highest level.’”) (quoting *Cnty. Care Foundation v. Thompson*, 318 F.3d 219, 227 (D.C. Cir. 2003)).

¹⁶ *Consent to Transfer Control of Certain Subsidiaries of TEGNA, Inc., et al.*, Hearing Designation Order, MB Docket No. 22-162, DA 23-149, at paras. 36-44 (MB Feb. 24, 2023).

¹⁷ See generally Merriam-Webster.com, Dictionary, “What’s good for the goose is good for the gander” (idiom, meaning “one person or situation should be treated the same way that another person or situation is treated”).

¹⁸ *CEI v. FCC*, 970 F.3d 372, (D.C. Cir. 2020) (“We have further held that the FCC can have an ‘opportunity to pass’ on a question even if the party seeking judicial review never raised it with the agency. . . . The FCC has such an opportunity . . . when a dissenting Commissioner raises the issue.”) (citing *ICO Glob. Commc’ns (Holdings) Ltd. v. FCC*, 428 F.3d 264, 269 (D.C. Cir. 2005)).

¹⁹ See, e.g., Media Research Center, Memorandum in Support of Petition to Deny, Audacy License, LLC Debtor-in-Possession to Audacy, LLC, Lead File No. 0000241074 (July 30, 2024) (“And there is reason for concerns about this Soros-backed entity and job losses”) (citing Thalia Beaty, *George Soros’ Open Society Foundations to Lay Off 40% of Staff Under Son’s New Leadership*, Associated Press (July 6, 2023)).

²⁰ See, e.g., *Motor Vehicle Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 42-43 (1983) (agency action that fails to respond to relevant arguments or does not consider key aspects of the issue will be turned aside as arbitrary and capricious).

For still another, the Communications Act expressly requires applicants in cases like these to demonstrate that the public interest would be served by granting the requested license transfer.²¹ But the Applicants in this case have apparently failed to make that showing. Indeed, the Commission decision granting this license transfer contains no public interest analysis specific to this transaction. To be sure, the analysis section dismisses concerns raised in a petition to deny and some related filings, and the analysis section resolves the Applicants' request for a waiver of FCC rules. But the analysis section of the Commission's decision is devoid of any findings or showings that the public interest would be served by granting this request.

For yet another still, the Applicants provide the Commission with virtually no information at all about their plans to wall off the unvetted foreign interests. How can the Commission be sure that those interests will be isolated for the time being when today's decision offers no specifics about those protections? Indeed, the Commission does not even indicate that it knows how much foreign investment is at issue or its source.

To be clear, I am sympathetic to the need for licensees to emerge quickly from bankruptcy, and I agree that there are public interests reasons for moving through the restructuring process without undue delay. That is why I would vote for a rulemaking proceeding that examines how the agency might create a process to accomplish that while complying with the statute and considering the equities of the Team Telecom agencies. The Commission has had several opportunities to create a new process in the years since we adopted our 2016 rules, including in our 2020 and 2021 rulemaking orders.²² But despite multiple opportunities to do so, at no point did the Commission itself consider, let alone adopt, a special rule that allows us to expedite, relax, or defer the necessary national-security and related policy reviews for licensees going through bankruptcy.

Unless and until the Commission changes our rules, I cannot support the special shortcut adopted today. Accordingly, I dissent.

²¹ 47 U.S.C. § 310(d); *see also* 47 U.S.C. § 309.

²² *See supra* note 13.

**DISSENTING STATEMENT OF
COMMISSIONER NATHAN SIMINGTON**

Re: *In the Matter of Audacy License, LLC, as Debtor-in-Possession (Assignor) and Audacy License, LLC (Assignee) Application for Consent to Assignment of Licenses, Memorandum Opinion and Order, Application File Nos. 0000241074 et al.*

We have before us an item that would have flummoxed the Commission of just two years ago. It involves a full reorganization (involving the cancellation of \$1.6B of debt) of one of the largest broadcast media companies in America—ultimately transferring control to entities tied to a well-known private equity mogul, implicating foreign ownership and attributable interests in other, potentially affiliated broadcast companies.

Sound familiar?

But the Commission of today has apparently learned its lesson, and is ready to rock and roll to get blockbuster media deals back on track! (Provided, naturally, that they are the right *sorts* of deals involving the right *sorts* of owners.)

I won't labor overlong on comparing and contrasting this transaction with any other. Instead, let's discuss process. Initially, Commission leadership directed bureau staff to handle the transaction themselves, as befits the Commission's maximalist turn in delegated authority. The first time that any of my colleagues had a chance to review an item was on Friday, August 9th, 2024 (the Friday after the August Open Meeting, which, by custom, inaugurates the Commission's unofficial "summer recess"), with the bureau informing Commissioners that the item would be released Monday. No vote. No meaningful opportunity to review.

Suffice it to say, that did not sit well with me.

I was pleased when Senator Cruz requested that the item be brought for a full Commission vote, and I was delighted when it was. Now that I've had a chance to review the item, I have questions.

Don't get me wrong: I prefer when deals get done. I think we are all better off when broadcast asset valuation doesn't crater like an Apollo asteroid impact. But *because* of our impoverished process, there is *very* little record here to support the hand-waving conclusions that the item draws. While there are more, let me select just three issues to highlight.

First: the item, in a single sentence, finds it in the public interest to extend to the applicant a previously-granted waiver of our local radio ownership rules in the Kansas City market. Shoot, that seems okay, in principle, with me. In fact, a single, conclusory sentence finding that our local broadcast ownership limits can be exceeded without any particular import for the public interest (or, indeed, perhaps even *improvement* to the public interest) is my jam. Yet when this Commission recently has considered single-station exceedance of local market ownership in media mergers and acquisitions, it has, until just now, warranted a searching bureau inquiry, months of delay, and a great deal of apprehension. Here: a sentence. Hm. I guess, under *these* particular circumstances, the Commission is not, as Gen Z says, "keeping that same energy." Odd.

Second: the applicant provides that the reorganized Audacy will be controlled in Laurel Tree Opportunities Corporation. LTOC will own and control a majority of the voting stock of the reorganized Audacy. Who controls LTOC? It's not a particularly complicated structure: Fund for Policy Reform. And who controls FPR? Well, Google it.

What else does FPR control (or, put another way: what else do those who control FPR control)? Well, a whole bunch of things, left as an exercise for the reader. But one salient thing in FPR's media toolkit is its attributable debt interest in the Latino Media Network, *another* radio conglomerate. Now, the combination of attributable interests here, again, *might* not bother me, had I an opportunity to review a fulsome factual record in the public interest pursuant to Section 310(d). In fact, I can imagine only few scenarios where that *would* bother me. Yet: I can imagine a few. And, since I am voting on a skeletal item citing essentially no factual record that was yanked at the last minute from a contemplated 48-hour notice fast-track, imagination is what I have.

Third: the item grants the applicant a waiver of Section 1.5000(a)(1) of our rules, which otherwise require that an applicant for a broadcast license to seek and obtain a declaratory ruling that foreign ownership interests in the license-holding entity do not exceed 25% in the aggregate before the grant of a license. When a waiver of this rule is granted for entities emerging from bankruptcy, it is typically conditioned on the resulting license holder filing a petition for a declaratory ruling within 30 days of consummation of the assignment of the license permitting it to exceed the foreign ownership limits. As the applicant admits, the resulting entity in this case will have greater than 25% of attributable foreign ownership. Typically, and here, foreign holders will, in the interim and pending final action on the petition, be assigned special warrants without voting rights to represent their interests.

The item gets one thing right: the Commission has, in the past and at the bureau level, granted waiver of this rule to permit issuance of warrants with a final determination on the propriety of foreign ownership held in abeyance. Yet, of course, we review each transaction for public interest, so to speak, *de novo*. What is the public interest assessment here? From the item:

We find that consistent with our policy to accommodate the federal bankruptcy process where possible, and based on the particular facts presented here, the use of special warrants proposed by the Applicant and a temporary waiver of section 1.5000(a)(1) will facilitate the prompt emergence of Audacy DIP from bankruptcy, providing the benefits the Applicant describes while maintaining the required review of the proposed foreign ownership, and will thus serve the public interest.

That's it. That's the public interest assessment. When I read "based on the particular facts presented here," I could not help but imagine the music of summer evening cricketsong.

At any rate: to my recollection, I have never voted for the waiver of Section 1.5000(a)(1). I am considering it for the first time. The argument typically goes: "Look, the Commission and Team Telecom *are* going to do this review, just later. The public interest is served by permitting license holders to exit bankruptcy reorganizations quickly and get back on the air. If there are issues with foreign ownership, we can and will deal with them later."

I have two thoughts.

First, I just have to point out: a Commission eager to fast-track a billion dollar broadcast media reorganization, disregarding foreign ownership concerns, is the same Commission that has gone back to the well several times to impose and re-impose foreign sponsorship identification rules on our smallest independent broadcast license holders every time they place local church content on the air. Just saying.

Second, I can see two scenarios in which I would vote for such a waiver. For instance, suppose the assignee (to say nothing of the bankrupt assignor, which definitionally has few resources) were actually resource-constrained. A comparatively small assignee might benefit from a "fast-track" on the question of foreign ownership, because it permits the assignee to quickly deploy *limited* resources back into on-the-air operations. While I am not prepared at this time to suggest a bright line definition of a

“small assignee” would be, here the question is obviously moot. Or consider another scenario, where I and my colleagues on the Commission are invited by Commission leadership, the bureau, or parties to the transaction to review the record. To ask questions. To participate. And to do so from an early moment. I might have been able to learn something about the transaction, and therefore faithfully to discharge my obligation, recently reaffirmed in Congressional correspondence, to act fairly and objectively as it relates to grants and transfers of licenses.

It is trivial that fair and objective judgment is rooted in an opportunity to discover facts, yet I was afforded none. The first outreach I received about this transaction, the application for which has been pending before the Commission since March, was when I was informed by bureau staff in August that: thanks but no thanks, they would handle it for me. And now that I have been afforded an opportunity to weigh in, I have no meaningful record to review, and consequently no way to determine if grant of the Section 1.5000(a)(1) waiver, or the Application overall, serves the public interest.

I have no choice but to dissent.