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## FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In Reply Refer To: 1800B3-ACS

Donald E. Wildmon, President American Family Association P.O. Drawer 2440 Tupelo, Mississippi 38803

Bruce Munsterman, President Houston Christian Broadcasters, Inc. 2424 South Boulevard Houston, Texas 77098

Gary Lesniewski
Educational Radio Foundation of East
Texas, Inc.
2721 East Erwin
Tyler, Texas 75708



In re: **NEW(FM), Longview, Texas**American Family Association

File No. BPED-19960724MG Facility ID No. 82867

NEW(FM), Jefferson, Texas

Houston Christian Broadcasters, Inc. File No. BPED-19960920ME Facility ID No. 83429

NEW(FM), White Oak, Texas

Educational Radio Foundation of East Texas, Inc. File No. BPED-19961217ME Facility ID No. 84859

Joint Request for Settlement Agreement MX Group 960710

## Dear Applicants:

This is in reference to the above-captioned mutually exclusive construction permit applications for new noncommercial FM stations in Longview, Jefferson and White Oak, Texas and the Joint Request for Approval of Settlement ("Joint Request") filed July 19, 2001 by American Family Association ("AFA"), Houston Christian Broadcasters, Inc. ("HCBI") and Educational Radio Foundation of East Texas, Inc. ("ERFETI").

We have examined the Joint Request and the Settlement Agreement ("Agreement") attached thereto. Under the terms of the Agreement, the AFA and ERFETI applications will be dismissed and the HCBI application will be granted. As consideration for the dismissal of their applications, HCBI will pay AFA \$10 and ERFETI \$7,500.

After careful consideration of the Agreement, we find that approval of the Joint Request would serve the public interest and that the AFA and ERFETI applications were not filed for the purpose of reaching or carrying out the Agreement. Accordingly, the applicants have complied with the provisions of 47 U.S.C. § 311(c)(3) and 47 C.F.R. § 73.3525. Since the applicants propose to serve different communities, HCBI has demonstrated that dismissal of the AFA and ERFETI applications would not unduly impede the objectives of Section 307(b) of the Communications Act of 1934. Accordingly, we will not require republication under 47 C.F.R. § 73.3525(b).

*Main Studio Waiver.* HCBI has requested a waiver of the main studio requirement, 47 C.F.R. § 73.1125, in order to operate the Jefferson, Texas station as a satellite<sup>1</sup> of its commonly-owned NCE station KHCB-FM, Houston, Texas. For the reasons set forth below, we will waive Section 73.1125.

Pursuant to Section 73.1125(a), a main studio must be located either (1) within a station's community of license; (2) within the principal community contour of any other broadcast station licensed to its community; or (3) within 25 miles of the center of the community of license. See Report and Order, Review of the Commission's Rules Regarding the Main Studio and Local Public Inspection Files of Broadcast Television and Radio Stations, 13 FCC Rcd 15691 (1998), recon. granted in part, 14 FCC Rcd 11113 (1999) ("Reconsideration Order"). However, under Section 73.1125(b)(2), the Commission will waive this requirement where good cause exists to do so and where the proposed studio location "would be consistent with the operation of the station in the public interest." Each waiver request by an NCE station seeking to operate as the satellite of another NCE station is considered on a case-by-case basis. The Commission has recognized the benefits of centralized operations for NCE stations, given their limited funding, and thus found good cause exists to waive the main studio location requirement where satellite operations are proposed. Id. A satellite station must, however, demonstrate that it will meet its local service obligation to satisfy the Section 73.1125 public interest standard. Id.

HCBI's request is based on the economies of scale which would be realized by a grant of its waiver. We agree and conclude that there is good cause to waive 47 C.F.R. § 73.1125(a) in these circumstances. HCBI proposes to operate the Jefferson, Texas station as a satellite of KHCB-FM, Houston, Texas, approximately 232 miles from Jefferson. Where there is great distance between parent and satellite station, as here, we are particularly concerned that the licensee takes adequate measures to maintain its awareness of the satellite community's needs and interests. To that end, HCBI has pledged to: (1) establish an Advisory Board which will be made up of residents of the Jefferson community, (2) provide programming to address the problems, needs and interests of the local community, (3) maintain a toll-free telephone number, as required by Section 73.1125(d) of the rules, and maintain a public inspection file for the station within the Jefferson community.

<sup>&</sup>lt;sup>1</sup> A "satellite" station meets all of the Commission's technical rules; however, it originates no programming and instead rebroadcasts the parent station's programming. *See* Amendment of Multiple Ownership Rules, *Memorandum Opinion and Order*, 3 RR 2d 1554, 1562 (1964).

Under these circumstances, we are persuaded that HCBI will meet its local service obligation and thus, grant of the requested waiver is consistent with the public interest. We remind HCBI, however, of the requirement that it maintain a public file for the station at the main studio of the station at which its programming is originated, and it must provide the accommodation to listeners or residents as required under the amended rules. See Reconsideration Order, 14 FCC Rcd at 11129, ¶45. Thus, in the instant case, HCBI must maintain the public file for the Jefferson facility at the main studio of parent station KHCB-FM. Houston, Texas.

Accordingly, pursuant to 47 C.F.R. § 0.283, the Joint Request for Approval of Settlement and Settlement Agreement and its request for waiver of 47 C.F.R. § 73.1125 ARE GRANTED. The applications filed by American Family Association (File No. BPED-19960724MG) and Educational Radio Foundation of East Texas, Inc. (BPED-19961217ME) ARE HEREBY DISMISSED and the application filed by Houston Christian Broadcasters, Inc. (File No. BPED-19960920ME) IS HEREBY GRANTED. The construction permit authorization will follow under separate cover.

Sincerely,

Peter H. Doyle, Chief

oria Scanlan

Audio Division Media Bureau

cc: Jeffrey D. Southmayd, Esq. Bradford D. Carey, Esq.