FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D. C. 20554 AUG 0 7 2003

IN REPLY REFER TO: 1800B3-MAT

Patrick J. Vaughn, Esq. General Counsel American Family Association, Inc. 107 Parkgate Drive Tupelo, MS 38801

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In Re: NEW(FM), Indianola, MS
American Family Association, Inc.
File No. BPED-19970129MA
Facility ID No. 85329

NEW(FM), Indianola, MS Broadcasting for the Challenged, Inc. File No. BPED-19970807MU Facility ID No. 87931

Joint Petition for Approval of Settlement Agreements MX Group 970109

Dear Counsel:

This is in reference to: (1) the above-captioned mutually exclusive construction permit applications for a new noncommercial FM station in Indianola, Mississippi; (2) the Joint Petition for Approval of Settlement Agreements ("Joint Petition") filed on April 25, 2003, by American Family Association ("AFA") and Broadcasting for the Challenged, Inc. ("BFTC"); (3) a Petition to Deny filed on December 15, 1999 by Mississippi Broadcasting Partners against the BFTC application; and (4) an Opposition to Petition to Deny filed thereto on December 21, 1999.

Pursuant to the terms of the Joint Petition, BFTC will dismiss its application and the application filed by AFA will be granted. No monetary consideration will be paid to BFTC for the dismissal of its application.

We have examined the Joint Petition and the Settlement Agreement attached thereto. Based on this examination, we find that approval of the Joint Petition would serve the public interest and that the BFTC application was 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 both of the applicants propose to serve the same community, no Section 307(b) questions have been presented and no republication is required under 47 C.F.R. § 73.3525(b). Furthermore, we find that AFA is fully qualified and that a grant of its application would serve the public interest by expediting a new FM service to Indianola, Mississippi.

Main Studio Waiver Request. AFA has requested a waiver of the main studio requirement, 47 C.F.R. § 73.1125, in order to operate the Indianola, Mississippi station as a satellite¹ of its commonly-owned NCE station WAFR(FM), Tupelo, Mississippi. 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.² 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 a 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.*

AFA'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. AFA proposes to operate the station as a satellite of WAFR(FM), Tupelo, Mississippi, approximately 575 miles from Indianola, Mississippi. Where there is a considerable distance between parent and satellite stations, 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, AFA has pledged to: (1) add to its Community Advisory Board at least one resident of the Indianola community, who will be asked to provide recommendations on community needs and programming directly to the management of AFA; (2) conduct interviews, at least annually, with residents and

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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).

² See Review of the Commission's Rules Regarding the Main Studio and Local Public Inspection Files of Broadcast Television and Radio Stations, Report and Order, 13 FCC Rcd 15691 (1998); recon. granted in part, 14 FCC Rcd 11113 (1999) ("Reconsideration Order").

community leaders to assess community needs and programming; (3) provide periodic local programming for Indianola, including coverage of significant local news or cultural events; (4) provide for the broadcast of local public service announcements and (5) maintain a public file within the community of license and a toll-free telephone number for the residents of Indianola.

Under these circumstances, we are persuaded that AFA will meet its local service obligations and thus, grant of the requested waiver is consistent with the public interest. We remind AFA that notwithstanding its commitment to maintain a public inspection file in Indianola, it must also maintain a public file for Indianola station at the main studio of the parent station, WAFR(FM), Tupelo, Mississippi. It must also make reasonable accommodation for listeners wishing to examine the file's contents. We further remind AFA that, notwithstanding the grant of the waiver requested here, the public file for the station must contain the quarterly issues and programs list, as required by 47 C.F.R. § 73.3527(e)(8).

Accordingly, pursuant to 47 C.F.R. § 0.283, the Joint Petition for Approval of Settlement Agreements and the request for waiver of 47 C.F.R. § 73.1125 filed by American Family Association, Inc. ARE GRANTED; the application filed by Broadcasting for the Challenged, Inc. (File No. BPED-19970807MU) IS HEREBY DISMISSED and the application filed by American Family Association, Inc. (File No. BPED-19970129MA) IS HEREBY GRANTED. In light of the action taken herein, the December 15, 1999, Petition to Deny filed by Mississippi Broadcasting Partners against the application of Broadcasting for the Challenged, Inc. IS HEREBY DISMISSED AS MOOT.

Sincerely,

Peter H. Doyle, Chief

Audio Division

Office of Broadcast License Policy

Mass Media Bureau

cc:

Coe W. Ramsey, Esq.

³ See Reconsideration Order, 14 FCC Rcd at 11129, 129, ¶45.