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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEBSITE: <https://commerce.senate.gov>

July 9, 2024

The Honorable Geoffrey Starks
Commissioner
Federal Communications Commission
45 L Street NE
Washington, D.C. 20554

Dear Commissioner Starks:

At your nomination hearing in June 2023, you stated that you were to “eager to work with” me in ensuring that significant transactions are voted on by the full Federal Communications Commission (FCC) and not decided by bureaucratic fiat at the whim of the Chairwoman.¹ I urge you to abide by your statements to Congress, as well as longstanding FCC precedent and oppose the approval of George Soros’s takeover of Audacy’s nationwide radio network—including any transfer of licenses—without a Commission-level vote.

By any measure, this proceeding is a matter of significant public interest. It involves the acquisition of the second-largest owner of broadcast radio stations in the nation, with 225 stations in 46 markets.² Moreover, the applicants themselves admit that foreign entities will hold substantial ownership interests in these hundreds of broadcast stations—indeed, interests that exceed limits specified in federal law.³ The applicants have asked for a waiver from the FCC’s foreign ownership rule so they can consummate the transaction, get the keys to the stations now, and punt the FCC’s vetting of their foreign interest holders until later. The timing of this request—in the final run-up to the federal election—only heightens what is at stake for the nation’s media landscape.

To protect the interests of the American public, any transfer of Audacy’s licenses, particularly one involving a waiver of foreign ownership limits, should be vetted and voted on by the full

¹ *Federal Communications Commission Nominations: Hearing Before the Senate Committee on Commerce, Science and Transportation*, 118th Cong. (June 22, 2023) (Commissioner Starks response to Ranking Member Cruz), <https://www.commerce.senate.gov/2023/6/nominations-hearing-fcc>.

² Dana Kennedy and Lydia Moynihan, *Dem-Majority FCC Helping George Soros Fast-Track Takeover of Nationwide Radio Network: ‘This Is Scary,’* NEW YORK POST (June 18, 2024), <https://nypost.com/2024/06/18/us-news/dem-majority-fcc-helping-george-soros-fast-track-audacy-radio-takeover/>.

³ *Application by Audacy License, LLC, Debtor-in-Possession to the Federal Communications Commission for an assignment of license and transfer of control to implement a joint prepackaged plan of reorganization*, at 9 (filed March 15, 2024) (*Audacy Application*), [https://enterpriseefiling.fcc.gov/dataentry/views/public/assignmentDraftCopy?displayType=\[%E2%80%A6\]a61c89e130d&id=25076f918df1feef018e0a61c89e130d&goBack=N](https://enterpriseefiling.fcc.gov/dataentry/views/public/assignmentDraftCopy?displayType=[%E2%80%A6]a61c89e130d&id=25076f918df1feef018e0a61c89e130d&goBack=N).

Commission—not rubber-stamped by unaccountable bureaucrats acting under the guise of delegated authority.

While there are many routine administrative matters where subordinate bureaus use delegated authority to act, the review of significant transactions that will have a major impact on consumers—particularly those involving hundreds of millions of dollars or more—is a quintessentially Commission-level matter. That is why, for most of the Commission’s history, significant transactions have been subject to a Commission-level vote.⁴

In a major abuse of power, the Commission recently departed from this precedent in its review of the Standard General-TEGNA transaction. Instead of holding an open and transparent Commission-level vote, Chairwoman Jessica Rosenworcel quashed the deal through a bureau-level order.⁵ This procedural misdeed earned the Chairwoman a rebuke from Congress⁶ and led to an ongoing review by the FCC’s Inspector General.⁷

The Commission should not repeat this mistake in its review of the Audacy transaction. Unfortunately, it appears that Soros Fund Management is trying to use the cover of bankruptcy proceedings to avoid Commission review of its takeover of Audacy. Whereas a major broadcast takeover would ordinarily be subject to significant Commission-level oversight to determine its impact on the “public interest,” the reorganization application instead cites bureau-level bankruptcy precedent in an attempt to get the license transfers approved through the Media

⁴ See, e.g., *Applications of Turner Broadcasting System, Inc. and Time Warner, Inc. for Consent to the Transfer of Control of License of Television Station WTBS(TV), Atlanta, Georgia*, Memorandum Opinion and Order, File No. BTCCT-951020KF, FCC 96-405 (Oct. 9, 1996); *Applications of Shareholders of CBS Corporation and Viacom, Inc., for Transfer of Control of CBS Corporation and Certain Subsidiaries, Licensees of KCBS-TV, Los Angeles, CA, et al*, Memorandum Opinion and Order, File Nos. BTCCT-19991116ABA, et al., FCC 00-155 (May 3, 2000); *Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations by Time Warner Inc. and America Online, Inc., Transferors, to AOL Time Warner Inc., Transferee*, Memorandum Opinion and Order, CS Docket No. 00-30, FCC 01-12 (Jan. 11, 2001); *Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, MB Docket No. 10-56, FCC 11-4 (Jan. 18, 2011); *Applications of AT&T Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, MB Docket No. 14-90, FCC 15-94 (July 24, 2015); *Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership For Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, MB Docket No. 15-149, FCC 16-59 (May 5, 2016); *Applications of Tribune Media Company and Sinclair Broadcast Group, Inc. et al*, Hearing Designation Order, MB Docket No. 17-179, et al, FCC 18-100 (Jul. 19, 2018); *Applications of Tribune Media Company and Nexstar Media Group, Inc., et al*, Memorandum Opinion and Order, MB Docket No. 19-30 et al, FCC 19-89 (Sept. 13, 2019).

⁵ *Consent to Transfer Control of Certain Subsidiaries of TEGNA Inc. to SGC Holdings III LLC, et al*, MB Docket No. 22-162, et al, Hearing Designation Order, DA 23-149 (Feb. 24, 2023).

⁶ Letter from Ranking Member Ted Cruz and Chair Cathy McMorris Rodgers to Chairwoman Jessica Rosenworcel (April 5, 2023), <https://www.commerce.senate.gov/services/files/8273A871-E975-4C80-AFEE-60D519DC7393>.

⁷ See Letter from Ranking Member Ted Cruz and Chair Cathy McMorris Rodgers to Acting Inspector General Sharon Diskin (May 16, 2023), <https://www.commerce.senate.gov/2023/5/sen-cruz-rep-mcmorris-rodgers-call-on-fcc-inspector-general-to-probe-handling-of-standard-general-tegna-acquisition>; Letter from Acting Inspector General Sharon Diskin to Ranking Member Ted Cruz and Chair Cathy McMorris Rodgers (June 7, 2023) (on file with the Committee).

Bureau’s waiver process and delay Commission review of the transaction itself until after the November election.⁸ And Chairwoman Rosenworcel, for her part, appears more than happy to play along, having told members of Congress that “[t]he *Bureau staff* will review the record and decide if the transfer in the public interest.”⁹

A Commission-level vote is necessary to protect the FCC’s accountability to the American public and deliver on the commitments you made to Congress. Consistent with your congressional testimony, it is my expectation that you will demand a Commission-level vote and not sit idly by should the Chairwoman attempt to approve the transfer of Audacy’s licenses to the reorganized company under delegated authority.

I request that you respond in writing by July 22, 2024, with a commitment to request that the transaction be reviewed by the full Commission, including any order granting a waiver of the FCC’s foreign ownership rules to transfer Audacy’s broadcast licenses to the reorganized Soros-backed entity.

Sincerely,



Ted Cruz

Ranking Member

⁸ *Audacy Application* at 8–12.

⁹ Letter from Chairwoman Jessica Rosenworcel to Representative Chip Roy (April 25, 2024) (emphasis added), <https://docs.fcc.gov/public/attachments/DOC-402355A4.pdf>.