



## FEDERAL COMMUNICATIONS COMMISSION

[MB Docket No. 26-19; DA 26-76; FR ID 331414]

Hearing Designation Order Issued to 97.5 Licensee TX, LLC

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice.

**SUMMARY:** In this document the Media Bureau (Bureau) of the Federal Communications Commission (Commission) commences a hearing in connection with an application filed by 97.5 Licensee TX, LLC, seeking Commission consent to the transfer of control of three broadcast radio stations in El Paso, Texas. By this document, the Commission has designated substantial and material questions of fact for hearing before an administrative law judge, namely: whether the current licensee maintained proper control of the stations; whether the licensee and proposed buyer, a non-U.S. citizen, engaged in an unauthorized transfer of control of the stations; whether the parties engaged in misrepresentation and/or lack of candor before the Commission; and whether the licensee and the proposed buyer have the necessary character qualifications to remain or become, respectively, a Commission licensee.

**DATES:** Persons desiring to participate as parties in the hearing shall file a petition for leave to intervene no later than **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** File documents with the Office of the Secretary, Federal Communications Commission, 45 L Street NE, Washington, DC 20554, with a copy mailed to each party to the proceeding. Each document that is filed in this proceeding must display on the front page the docket number of this hearing, MB Docket No. 26-19.

**FOR FURTHER INFORMATION CONTACT:** Brendan Holland, Media Bureau, at (202) 418-2757 or [brendan.holland@fcc.gov](mailto:brendan.holland@fcc.gov).

**SUPPLEMENTARY INFORMATION:**

This is a summary of the Hearing Designation Order (Order), MB Docket No. 26-19, DA 26-76, adopted and released on January 23, 2026. The complete text of this document is available on the Commission's website at <https://www.fcc.gov/document/975-licensee-tx-llc-hearing-designation-order> or by using the search function on the Commission's Electronic Comment Filing System (ECFS) web page at [www.fcc.gov/ecfs](http://www.fcc.gov/ecfs). Alternative formats are available to persons with disabilities by sending an email to [FCC504@fcc.gov](mailto:FCC504@fcc.gov) or by calling the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

## **SUMMARY OF THE HEARING DESIGNATION ORDER**

By an application (Transfer Application) filed with the Commission on March 14, 2023, and last amended on October 29, 2024, Luz Maria Rygaard (Rygaard), a U.S. citizen, sought Commission consent to the transfer of control of 97.5 Licensee TX, LLC (97.5 Licensee) to Lorena Margarita Pérez Toscano (Toscano), a citizen of Mexico. 97.5 Licensee is the licensee of three broadcast radio stations, KBNA-FM, KAMA(AM), and KQBU(AM), each of which is authorized by the Commission to serve El Paso, Texas. Contemporaneously with the submission of the Transfer Application, the Parties also filed a related Petition for Declaratory Ruling seeking Commission approval for the stations to become 100% foreign-owned consistent with the Commission's Rules and governing statute.

Section 310(d) of the Act, 47 U.S.C. 310(d), provides that no station license shall be transferred or assigned unless the Commission, on application, determines that the public interest, convenience, and necessity will be served thereby. 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. Under Section 309(d) of the Act, “[i]f a substantial and material question of fact is presented or if the Commission for any reason is unable to find that grant of the application would be consistent [with the public interest, convenience, and necessity],” it must formally designate the application for a hearing in accordance with Section 309(e) of the Act. 47 U.S.C.

309(d)-(e).

After conducting a detailed review of the record in this proceeding, including information and materials provided by the parties in response to letters of inquiry from the Bureau, the Bureau believes that substantial and material questions of fact exist regarding whether the parties have engaged in an unauthorized transfer of control, as well as engaged in misrepresentations and/or lack of candor in their dealings with the Commission. Accordingly, based on the record before the Commission, we are unable to find that grant of the Transfer Application would be consistent with the public interest, as required by sections 309(a), 309(e), and 310(d) of the Communications Act of 1934, as amended (the Act). The Transfer Application is being held in abeyance pending resolution of this proceeding.

*Unauthorized Transfer of Control to a Foreign Citizen.* The record developed by the Bureau thus far appears to indicate that there has been an unauthorized transfer of control of the stations to a foreign national. Ceding control of a station to anyone other than the authorized licensee of the station without prior Commission approval is a violation of the Act and the Commission's rules. In determining whether an individual or entity has de facto control of a broadcast applicant or licensee, the Commission traditionally looks to whether the party in question establishes the policies governing station programming, personnel, and finances.

In this case, evidence provided by the parties fails to substantiate conclusively that Rygaard established the policies governing the Stations' programming, personnel, and finances of the stations. In addition, among the factors suggesting that an unauthorized transfer has occurred are that a company owned by the proposed buyer had begun programming and operating the stations in December 2022 pursuant to an unwritten agreement, and that the proposed buyer acquired the right to collect a multi-million dollar debt owed by the stations at the same time that Rygaard purchased control of the stations for a nominal amount. The Bureau's investigation also determined that the parties are related (as cousins) and that Toscano and her father have connections to the earlier ownership and operation of the stations, raising

further questions about Rygaard's role as licensee.

*Misrepresentations and/or Lack of Candor.* The Commission and the courts have recognized that “[t]he FCC relies heavily on the honesty and probity of its licensees in a regulatory system that is largely self-policing.” *Contemporary Media, Inc. v. FCC*, 214 F.3d 187, 193 (D.C. Cir. 2000) (*Contemporary Media*). As such, full and clear disclosure of all material facts in every application is essential to the efficient administration of the Commission's licensing process. The proper analysis of an application depends on the accuracy and completeness of information and data that only the applicant can provide.

Ultimately, misrepresentation and lack of candor raise serious concerns as to the likelihood that the Commission can rely on an applicant, permittee, or licensee to be truthful. *Policy Regarding Character Qualifications In Broadcast Licensing Amendment of Rules of Broadcast Practice and Procedure Relating to Written Responses to Commission Inquiries and Making of Misrepresentations to the Commission by Permittees and Licensees*, Report, Order, and Policy Statement, 102 FCC 2d 1179, 1209-11, paras. 54-61 (*1986 Character Policy Statement*). Misrepresentation is a false statement of fact made with intent to deceive the Commission and lack of candor is a concealment, evasion, or other failure to be fully informative, accompanied by an intent to deceive the Commission. Both are proscribed by the Rules at § 1.17(a)(1), which provides that no person shall, in any written or oral statement of fact, intentionally provide material factual information that is incorrect or intentionally omit material information that is necessary to prevent any material factual statement that is made from being incorrect or misleading. 47 CFR 1.17(a)(1).

Based on the record developed, the Bureau believes that Rygaard and Toscano have not been fully forthcoming in either the Transfer Application or in the responses to the Bureau's investigation. Rather, the evidence raises serious concerns that the parties have consistently engaged in misrepresentation and/or lack of candor before the Commission with the result of

misleading the Commission as to who actually controls the stations. Accordingly, we find there are substantial and material questions of fact as to whether the parties have lacked candor and/or made misrepresentations to the Commission, which must be explored at hearing.

*The Parties' Responses to the Bureau's Inquiries.* It is well-established that the Commission has broad investigatory authority pursuant to its licensing function. See., e.g., 47 U.S.C. 154(i) through (j), 403. Consistent with this authority, § 73.1015 of the Rules authorizes the Commission to require from a broadcast licensee written statements of fact relevant to any matter within its jurisdiction. 47 CFR 73.1015. It is important that licensees, as well as applicants and permittees, respond fully and honestly to such requests for information and in a timely manner, as the failure to do so impedes the Commission's ability to carry out its responsibilities. In the present case, the parties' responses often lacked credible explanations and sufficient detail, and in many cases failed to fully respond to the Bureau's request for information. Accordingly, the Bureau finds that a hearing is also necessary to confirm whether the Parties violated § 73.1015 of the Rules.

*There are Substantial and Material Questions of Fact Concerning the Parties' Qualifications to be a Commission Licensee.* The character of an applicant is one of the essential factors that the Commission considers in determining whether an applicant has the requisite qualifications to be a Commission licensee. 47 U.S.C. 308(b). Because a defect in character would warrant the Commission's refusal to grant a license in the original application, it likewise would support a Commission determination to revoke a license or permit. 47 U.S.C. 312(a)(2). The same is true with regard to whether an existing licensee has displayed the behavior and truthfulness to remain a licensee.

The Commission has long recognized that, in assessing character qualifications in broadcasting matters, the relevant character traits the Commission is concerned with "are those of 'truthfulness' and 'reliability.'" *1986 Character Policy Statement*, 102 F.C.C.2d at 1209,

para. 55. Misrepresentation and a lack of candor demonstrate a failure to be truthful under the Commission's character qualifications policy, and parties that deliberately make misrepresentations or lack candor may engage in disqualifying conduct. *See 1986 Character Policy Statement* 102 F.C.C.2d at 1210-11, paras. 60-61; and *Contemporary Media*, 214 F.3d at 196. The Commission has also recognized that "any violations of the Communications Act, Commission rules or Commission policies can be said to have a potential bearing on character qualifications." *1986 Character Policy Statement*, 102 FCC 2d at 1209, para. 56. It therefore is appropriate to consider "any violation of any provision of the Act, or of our Rules or policies, as possibly predictive of future conduct and, thus, as possibly raising concerns over the licensee's future truthfulness and reliability." *1986 Character Policy Statement*, 102 FCC 2d. at 1209-10, para. 57. Such violations also can be a basis for revocation of a license or construction permit. 47 U.S.C. 312(a).

In the present case the Bureau finds that the record raises substantial and material questions of fact as to both Rygaard's and Toscano's character, in terms of whether each has the propensity to deal honestly with the Commission and to comply with the Act, the Rules, and Commission policies. Therefore, the Bureau designates the matter for hearing to determine whether the parties have the necessary character qualifications to become, or remain, a Commission licensee.

Accordingly, *it is ordered* That, pursuant to Sections 308, 309(d), 309(e), 310(b), 310(d), and 312(a) through (c) of the Act, 47 U.S.C. 308, 309(d), 309(e), 310(b), 310(d), and 312(a) through (c), the applications and licenses ARE DESIGNATED FOR HEARING before an FCC administrative law judge, at a time and location specified in a subsequent Order, upon the following issues:

(a) To determine whether Luz Maria Rygaard is and/or has been exercising affirmative control of KBNA-FM, KAMA(AM), and KQBU(AM).

(b) To determine whether there has been an unauthorized de facto transfer of control of

- KBNA-FM, KAMA(AM), and KQBU(AM) to Pro Radio LLC and/or Lorena Margarita Pérez Toscano in violation of Sections 310(b) and 310(d) of the Act, 47 U.S.C. 310(b), 310(d), and §§ 1.5000 *et seq.* and 73.3540(a) of the Commission's Rules, 47 CFR 1.5000 *et seq.*, 73.3540(a).
- (c) To determine whether Luz Maria Rygaard engaged in misrepresentation and/or lack of candor in applications and communications with the Commission in violation of §§1.17 and/or 73.1015 of the Commission's Rules, 47 CFR 1.17, 73.1015.
  - (d) To determine, in light of evidence adduced regarding the foregoing issues (a) through (c) whether Luz Maria Rygaard possesses the character qualifications to be or remain a Commission licensee and whether the licenses for KBNA-FM, KAMA(AM), and KQBU(AM) should be revoked consistent with Section 312(a)(1) of the Act, 47 U.S.C. 312(a)(1).
  - (e) To determine whether Lorena Margarita Pérez Toscano has exercised and continues to exercise de facto control over KBNA-FM, KAMA(AM), and KQBU(AM).
  - (f) To determine whether Lorena Margarita Pérez Toscano engaged in misrepresentation and/or lack of candor in applications and communications with the Commission in violation of §§ 1.17 and/or 73.1015 of the Commission's Rules, 47 CFR 1.17, 73.1015.
  - (g) To determine, in light of evidence adduced regarding the foregoing issues (a), (b), (e), and (f), whether Lorena Margarita Pérez Toscano possesses the character qualifications to be a Commission licensee.
  - (h) To determine, in light of evidence adduced regarding the foregoing issues whether the pending applications seeking Commission consent to the transfer of control of the licenses of KBNA-FM, KAMA(AM), and KQBU(AM) from Luz Maria Rygaard to Lorena Margarita Pérez Toscano should be granted, dismissed, or denied.

*It is further ordered* That, pursuant to Sections 309(e) and 312(c) of the Act, 47 U.S.C. 309(e), 312(c), and §§ 1.91(c) and 1.221(c) of the Commission's Rules, 47 CFR 1.91(c), 1.221(c), to avail themselves of the opportunity to be heard and to present evidence at a hearing in this proceeding, Luz Maria Rygaard and 97.5 Licensee TX, LLC, in person or by an attorney, *shall file* with the Commission, within twenty (20) days of the mailing of this *Hearing Designation Order, Order to Show Cause Why an Order of Revocation Should not be Issued, and Notice of Opportunity for Hearing*, a written appearance stating that they will appear at the hearing and present evidence on the issues specified above.

*It is further ordered* That if Luz Maria Rygaard waives her rights to a hearing pursuant to § 1.92(a)(1) or (a)(3) of the Rules, 47 CFR 1.92(a)(1) or (a)(3), she may submit a timely written statement denying or seeking to mitigate or justify the circumstances or conduct complained of in the order to show cause.

*It is further ordered* That, pursuant to §§ 1.91 and 1.92 of the Commission's Rules, 47 CFR 1.91 and 1.92, that if Luz Maria Rygaard fails to file a written appearance within the time specified above, or has not filed prior to the expiration of that time a petition to accept, for good cause shown, such written appearance beyond expiration of said 20 days, the right to a hearing shall be deemed waived. Where a hearing is waived, the Administrative Law Judge shall issue an order terminating the hearing proceeding and certifying the case to the Commission.

*It is further ordered* That, pursuant to § 1.221(c) of the Commission's rules, 47 CFR 1.221(c), if Luz Maria Rygaard fails to file a written appearance within the time specified above, a petition to dismiss without prejudice, or a petition to accept for good cause shown an untimely written appearance, the captioned applications shall be dismissed with prejudice for failure to prosecute.

*It is further ordered* That, pursuant to Section 309(e), 47 U.S.C. 309(e), to avail herself of the opportunity to be heard and to present evidence at a hearing in this proceeding, Lorena Margarita Pérez Toscano, in person or by an attorney, *shall file* with the Commission, within

twenty (20) days of the mailing of this *Hearing Designation Order, Order to Show Cause Why an Order of Revocation Should not be Issued, and Notice of Opportunity for Hearing*, a written appearance stating that he will appear at the hearing and present evidence on the issues specified above at a hearing.

*It is further ordered* That, pursuant to §1.221(c) of the Commission's rules, 47 CFR 1.221(c), if Lorena Margarita Pérez Toscano fails to file within the time specified above a written appearance, a petition to dismiss without prejudice, or a petition to accept for good cause shown an untimely written appearance, the captioned applications shall be dismissed with prejudice for failure to prosecute.

*It is further ordered* that the Chief, Enforcement Bureau, shall be made a party to this proceeding without the need to file a written appearance.

*It is further ordered* that, in accordance with Section 312(d) of the Act, 47 U.S.C. 312(d), and § 1.91(d) of the Commission's rules, 47 CFR 1.91(d), the *burden of proceeding* with the introduction of evidence and the *burden of proof* with respect to the issues (a) through (g) above, *shall be* upon the Commission's Enforcement Bureau.

*It is further ordered* that, pursuant to Section 309(e) of the Act, 47 U.S.C. 309(e), and § 1.254 of the Commission's rules, 47 CFR 1.254, the *burden of proceeding* with the introduction of evidence and the *burden of proof* shall be upon Luz Maria Rygaard and Lorena Margarita Pérez Toscano as to issue (h) above.

*It is further ordered* that a copy of each document filed in this proceeding subsequent to the date of adoption of this document *shall be served* on the counsel of record appearing on behalf of the Chief, Enforcement Bureau. Parties may inquire as to the identity of such counsel by calling the Investigations & Hearings Division of the Enforcement Bureau at (202) 418-1420. Such service copy *shall be addressed* to the named counsel of record, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, 45 L Street NE, Washington, DC 20554.

*It is further ordered* that the parties to the captioned application shall, pursuant to section 311(a)(2) of the Act, 47 U.S.C § 311(a)(2), and § 73.3594 of the Commission's rules, 47 CFR 73.3594, *give notice* of the hearing within the time and in the manner prescribed in such Rule, and shall advise the Commission of the satisfaction of such requirements as mandated by § 73.3594 of the Commission's rules, 47 CFR 73.3594.

*It is further ordered* That copies of this *Hearing Designation Order, Order to Show Cause Why an Order of Revocation Should not be Issued, and Notice of Opportunity for Hearing* shall be sent via Certified Mail, Return Receipt Requested, and by regular first-class mail to:

97.5 Licensee TX, LLC  
2100 Trawood Drive  
El Paso, TX 79935

Luz Maria Rygaard  
1034 Sunflower Trail  
Austin, TX 78745

Lorena Margarita Pérez Toscano  
Bosques de Olivos 449  
Bosques de las Lomas  
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Frank R. Montero, Esq.  
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1300 N 17th Street,  
Suite 1100  
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*Counsel for 97.5 Licensee TX, LLC, Luz Maria Rygaard, and Lorena Margarita Pérez Toscano*

*It is further ordered* That a copy of this document, or a summary thereof, shall be published or a summary thereof published in the **Federal Register**.

FEDERAL COMMUNICATIONS COMMISSION

**Thomas Horan,**

*Chief of Staff, Media Bureau*

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