

FCC Enforcement Monitor

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HEADLINES

Pillsbury's communications lawyers have published the FCC Enforcement Monitor monthly since 1999 to inform our clients of notable FCC enforcement actions against FCC license holders and others. This month's issue includes:

- *\$7,000 Consent Decree for National Cell Phone Provider Marketing Unauthorized Smartphone*
- *FCC Pursues Missouri Property Owners Over Pirate Radio Broadcasts*
- *New Hampshire AM Station Gets Notice of Violation for Failing to Air Station IDs*

FCC Settles Investigation Into Marketing of Unauthorized Smartphone

A national wireless provider entered into a Consent Decree with the FCC's Enforcement Bureau for marketing a smartphone in the United States prior to receiving equipment authorization for it from the Commission. The phone was announced and marketing of it commenced on May 14, 2024. The provider advertised and otherwise marketed the phone for over a week until it was made available for purchase on May 23, 2024. The phone received an FCC equipment authorization on May 29, 2024. During that two-week period, thousands of phones were sold to consumers in violation of the FCC's equipment marketing rules.

Section 302(b) of the Communications Act and Section 2.803(b) of the FCC's Rules prohibit marketing or importing radio frequency devices prior to receiving equipment authorization by the FCC. "Marketing" includes selling, leasing, offering for sale or lease, advertising for sale or lease, importing, shipping, or distributing the device for sale or lease. Sections 2.1203 and 2.1204 of the FCC's Rules require radio frequency devices to receive equipment authorization approval prior to importation into the U.S. unless the device qualifies for an exemption and complies with the FCC's applicable technical and administrative requirements.

In October 2024, the FCC sent a Letter of Inquiry (LOI) to the provider requesting information about the marketing of the smartphone and seeking information regarding compliance with the FCC's import restrictions. The provider timely responded to the LOI, explaining that it typically "relies on manufacturers to ensure that FCC equipment authorization procedures are met" and citing its contractual terms with the manufacturer regarding authorization prior to delivery. The FCC determined, however, that those contractual references were insufficient to avoid a violation of its import rules.

To resolve the matter, the provider entered into a Consent Decree with the Enforcement Bureau under which it agreed to implement a Compliance Plan and make a \$7,000 voluntary contribution to the U.S. Treasury. The Consent Decree requires the provider to designate a compliance officer, implement a multi-part Compliance Plan, file annual compliance

reports with the Commission for the next three years, and verify that all devices have proper FCC authorization (or qualify for an exemption) prior to accepting delivery of them.

Missouri Property Owners Warned Over Illegal Radio Broadcasts

The Enforcement Bureau issued a *Notice of Illegal Pirate Radio Broadcasting* (Notice) to two property owners in Boonville, Missouri. The Enforcement Bureau's Columbia Office investigated the property after receiving a complaint about unlicensed operation. The agents confirmed, using direction-finding techniques, that unauthorized transmissions were emanating from the property on two separate occasions: December 18, 2024, and August 21, 2025.

FCC records indicated that no license had been issued for a broadcast station at that location, and the Enforcement Bureau determined that exemptions for extremely low-powered devices also did not apply.

Under Section 511 of the Communications Act of 1934, as amended, the FCC may impose substantial monetary penalties not only on pirate radio operators, but on individuals or entities that willfully and knowingly allow unlicensed broadcasts from property they own or control. In this case, the Commission warned the property owners that they could be liable for fines of up to \$2,453,218 if the unauthorized transmissions continue.

The Notice directs the property owners to respond to the FCC within ten business days and provide evidence that the unlicensed pirate radio broadcasts are no longer taking place on their property. The Notice also asks the property owners to identify the individual(s) responsible for operating a pirate radio station on their property. Finally, the Enforcement Bureau advised the property owners that failure to respond to the Notice may be treated as evidence of knowledge and consent to the illegal broadcasts for purposes of initiating subsequent FCC enforcement proceedings involving "significant financial penalties."

New Hampshire AM Station Receives Notice of Violation for Failing to Transmit Required Station Identification Announcements

The Enforcement Bureau issued a *Notice of Violation* (NOV) to the licensee of an AM radio station in New Hampshire for failing to transmit required station identification announcements in accordance with Section 73.1201 of the Commission's Rules. In May 2025, agents from the Enforcement Bureau's Boston Office monitored the station's signal over a two-hour period and observed that it was "broadcasting an unmodulated carrier with no station identification announcements."

Under Section 73.1201(a) of the FCC's Rules, broadcast stations are required to transmit station identification announcements at the beginning and end of each period of operation, and hourly, as close to the hour as possible at a natural break in programming.

The NOV directs the licensee to respond within 20 days. The response "(i) must fully explain each violation, including all relevant surrounding facts and circumstances, (ii) must contain a statement of the specific action(s) taken to correct each violation and preclude recurrence, and (iii) must include a time line for completion of any pending corrective action(s)."

The NOV instructs the licensee to also include a declaration submitted under penalty of perjury to support its responses and cautions that false statements or material omissions could subject the licensee to penalties under federal law. In addition, the issuance of a NOV does not preclude the FCC from taking further action at a later date, including fining the licensee for the station identification violations.