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## **Florida's DeSantis Strips Disney's Self-Governance Privileges.**

Florida Governor Ron DeSantis signed a law to strip Walt Disney Co. of its self-governance privileges in the state and said the entertainment giant will end up paying more taxes with the new legislation.

"We really need to get away from this type of treatment," DeSantis said at a signing ceremony on Friday. "Don't worry, we have everything thought out. Don't let anyone tell you that somehow Disney is going to get a tax cut out of this. They're going to pay more taxes as a result."

The legislation, which sets to dissolve the Reedy Creek Improvement District created where Disney operates its Walt Disney World Resort, could have major consequences for the company that has been in a heated dispute with DeSantis after it criticized a law he backed that limits school instruction about gender identity and sexual orientation. DeSantis, a potential 2024 Republican presidential candidate, asked legislators to consider the move in a surprise proclamation on Tuesday.

Reedy Creek has about \$1 billion of municipal bonds currently outstanding, according to data compiled by Bloomberg. The action raised questions about who will be on the hook for paying back this debt and how Disney will move forward after being able to govern its own municipal functions for more than 50 years.

The Disney district has its own building codes and approval process for new projects, meaning that Disney often doesn't have to wade through bureaucratic channels spanning multiple governments to get things done. The measure also eliminates five smaller special districts in other parts of the state as of June 1, 2023, barring any further legislative action.

In a press release Friday, DeSantis's office said "it is not the understanding or expectation" that the legislation will cause any tax increases for Florida residents.

"In the near future, we will propose additional legislation to authorize additional special districts in a manner that ensures transparency and an even playing field under the law," the statement said.

Burbank, California-based Disney has yet to comment on the legislation.

DeSantis slammed Disney for videos he said had been exposed by Christopher Rufo, a conservative activist with the Manhattan Institute, that show the company had an "intentional agenda to inject sexuality in the programming that's provided to our youngest kids."

The governor capped the contentious week in state politics by also signing a bill that limits how companies and schools can teach about race.

Passed by the state's legislature last month, the bill was first proposed by DeSantis to "take on both corporate wokeness and critical race theory" and comes as Republican politicians in Florida have targeted a series of culture-war, wedge issues in an election year.

## **Bloomberg Politics**

By Nathan Crooks

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