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DeSantis Signals More Disney Action After 'First Step'

- **Florida governor signed law to end self-governing district**
- **Company, governor in dispute over law on teaching on gender**

Florida Governor Ron DeSantis suggested he may take more action to limit Walt Disney Co.'s ability to run its own affairs in the state.

DeSantis last week signed legislation that will dissolve the Reedy Creek Improvement District, where Disney operates its Walt Disney World Resort, unless it's explicitly reauthorized. The company has been locked in a heated dispute with the Republican governor after it criticized a law he backed that limits school instruction about gender identity and sexual orientation.

"That was really the first step in what's going to be a process to make sure that Disney should not run its own government," DeSantis said at a press briefing on Monday.

DeSantis was responding to some who have suggested that Disney's tax burden would be reduced if it loses its special district. While he didn't give many other details, his remarks came as some critics, including officials in Orange County, where the bulk of Disney's operations are based, have suggested that the entertainment giant could see tax savings by transferring the public services it provides to municipal governments.

"Trust me. Under no circumstances will Disney not pay its fair share of taxes when this is done," DeSantis said.

DeSantis has said he isn't targeting \$578 million in credits Disney can use to reduce its state income taxes through 2040. His office has previously referred to those benefits as being available to anyone who applies and not Disney-specific.

DeSantis also rejected the idea that the company wouldn't be on the hook for the nearly \$1 billion in municipal debt Reedy Creek has outstanding.

"Under no circumstances will Disney be able to not pay its debts," DeSantis said, without providing more details. "We will make sure of that. Do not worry about that."

In a statement Friday, DeSantis's office said it wasn't "the understanding or expectation" that the law would result in any tax increases for Florida residents. It said that additional legislation would be proposed to "authorize additional special districts in a manner that ensures transparency and an even playing field under the law."

Christina Pushaw, a spokesperson for DeSantis, said Monday that more details of the plan will be finalized in the "next couple of weeks."

Disney has yet to comment on the legislation.

Randy Fine, the Republican state representative who sponsored the legislation, said there are a

number of ways the Reedy Creek issue could be resolved. He said the debt associated with the district, as well as the services provided, could be passed along to local governments. The district could also be reauthorized in a way that makes it in line with current provisions of the state constitution.

“There are big discussions to be had over the next year in terms of what we do about it,” he said.

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