New American

Written by <u>Annalisa Pesek</u> on May 7, 2022



## Another "Liberal Lie": Florida Residents Sue Over New Law to Disband Disney District

The feud continues between the Walt Disney Corporation and the state of Florida, with the children's entertainment company claiming the law to dissolve its special selfgoverning privileges by June 2023 cannot stand unless the state agrees to pay its \$1-2 billion bond debt. Meanwhile, Florida taxpayers are suing the state and Florida Governor Ron DeSantis, citing First Amendment rights violations.

The latest chapter in the Disney-DeSantis battle began on May 3, when several Florida residents of Orange and Osceola counties filed a federal lawsuit that argues the law to dissolve the Reedy Creek Improvement District (RCID) "violates free speech and the rights of taxpayers who may be left with the bill."



AP Images

For a bit of background, the dissolution of Disney's special privileges connects to the <u>1967 Reedy Creek</u> <u>Improvement Act</u>, created by the Florida legislature decades ago. The measure granted unique tax breaks as well as the authority to self-govern for Walt Disney World Resort and theme parks, along with 19 other landowners, spanning some 25,000 acres across Florida's Orange and Osceola Counties.

On April 22, Florida Governor Ron DeSantis signed <u>Senate Bill 4-C</u>, stripping Disney of its benefits. The intrepid move came in the wake of Disney's bullish opposition to the "<u>Parental Rights in Education</u>" law, which bans the teaching of sexual orientation and gender identity in kindergarten through third grade classrooms. Critics of that law have dubbed it the "Don't Say Gay" bill, though it has nothing to do with "gay" people. In fact, the words "gay," "lesbian," "transgender," or "queer" do not appear anywhere in the legislation.

#### Florida Defends Parents' Rights

In retaliation to Disney's vow not only to "repeal the law" aimed at stopping the sexualization of children but also to withhold political funding from the state legislature until the law was "struck down," DeSantis announced the perks enjoyed by the mega-corporation have never served the interest of the people. He also said he would not stand for Disney's "attack" on the parents of his state through the injection of a "not-at-all-secret" gay agenda into Disney films and programming.

"I am not comfortable having one company with its own government and special privileges when that company has pledged itself to attacking the parents in my state," said DeSantis during a townhall in Orlando with Fox News' Laura Ingraham. "That company has very high-up people talking about injecting pansexualism into programming for kids. It's wrong. Walt Disney would not want that."

DeSantis then fast-tracked bill to disband six special independent districts, among them the RCID,

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which houses the Walt Disney Resort and theme parks. His message to the "lost" Disney: "Get back to the mission" and "do what it did great."

Disney fired back, claiming that when RCID was established in the 1960s, the state of Florida <u>pledged</u> to its bondholders "not to limit the district's ability to 'fulfill the terms of any agreement made with the holders of any bonds or other obligations.'" Moreover, it could "not impair bondholders' rights or modify the arrangement until all bonds, costs and expenses 'are fully met and discharged.'"

The district's five-member board of supervisors, which governs the area in Orange and Osceola counties, now suggests that Florida taxpayers will be strapped with the burden of Disney's billions in bond debts.

#### The Next "Liberal Lie"

Multiple media outlets have reported on the alleged effects of the dissolution of RCID on taxpayers. John Haughey, of the <u>Epoch Times</u>, contended that "disbanding the 55-year-old RCID could have significant impacts...." He quoted <u>Orange County</u> tax collector Scott Randolph, who claimed:

Reedy Creek collects about \$105 million a year to provide services inside Disney World, essentially taxing itself. Once the special taxing district is dissolved, that special taxing power is defunct.

Randolph further suggested, "the counties would also absorb between \$1 billion and \$1.7 billion in RCID bond debt."

Yet it's puzzling how shutting down special tax privileges for Disney increases taxes for other Reedy Creek residents, and why Disney would not be responsible for these debts.

Not backing down, DeSantis has insisted that "Disney will pay its debts." Speaking to Ingraham, the governor promised that "Disney will, for the first time actually live under the same laws as everybody else in Florida. Imagine that!"

#### Is DeSantis Out of Line?

While critics have slammed DeSantis as unfairly and unconstitutionally targeting Disney for its severe condemnation of a law that <u>most Floridians (and Americans) support</u>, the governor's position on corporations not receiving special privileges rightly aligns with Florida state law. As per the Florida Constitution, Section 11: "There shall be no special law or general law of local application pertaining to: private incorporation or grant of privilege to a private corporation."

According to news outlet <u>Breitbart</u>, a *Politico*/Morning Consult poll found that out of a sampling 2,005 U.S. voters, "37 percent 'strongly support' and 13 percent 'somewhat support' banning the teaching of sexual orientation and gender identity from kindergarten through third grade. Eleven percent 'somewhat oppose' and 23 percent 'strongly oppose' the measure, and 15 percent have no opinion."

#### *Politico* reported:

...Support was considerably higher among Republican registered voters, but there was also backing from independent voters. Seventy percent of GOP voters, for example, supported banning the teaching of sexual orientation and gender identity in lower grades compared to 51 percent of Democrats who opposed the legislation. The poll found that 46 percent of Written by Annalisa Pesek on May 7, 2022



independent voters supported the ban compared to 35 percent who opposed it.

#### "Wokeism" at Its Best

As the ongoing Disney-DeSantis saga has developed, Disney saw the departure of Geoff Morrell, the company's first corporate affairs officer, who reportedly quit because the job was "<u>not the right fit</u>." The timing of his exit, after only three months in the position, has sparked speculation of Disney's concern of its future loss of special privileges and tax breaks. This as the company's stocks have plummeted, with shares dropping from \$140 to \$115 in the past two months. In April, the *Washington Examiner* reported that Disney lost a whopping \$50 billion since early March.

The new federal lawsuit filed by Florida residents argues that DeSantis's dissolution of the RCID "violates free speech and the rights of taxpayers who may be left with the bill." <u>WPTV</u>, West Palm Beach, published part of that lawsuit, which read: "it is without question that Defendant Gov. DeSantis intended to punish Disney for a 1st Amendment protected ground of free speech. [The] defendant's violation of Disney's 1st Amendment rights directly resulted in a violation of Plaintiffs' 14th Amendment rights to due process of law."

The lawsuit also allegedly cites "media reports featuring experts and political officials" claiming the district's \$1-2 billion in bond debt will fall to local governments, as well as maintenance and infrastructure fees currently covered by the district.

Former Fox News anchor Megyn Kelly and constitutional lawyer Jenna Ellis have both argued DeSantis is trampling on Disney's right to free speech. Yet how the law to dissolve the special district violates Disney's right to free speech is also yet to be cleared up.

As the incisive Matt Walsh remarked on the *Matt Walsh Show*, "you don't have a First Amendment right to tax privileges. We're so used to Republicans just being milk toast and just being speed bumps lying down on the road and hoping they can slow the progress of the Left slightly as they run right over you. If you're used to that, it becomes a shock to the system when you don't see it."

Attempting to provide some clarity, DeSantis's press secretary Christina Pushaw tweeted: "Disney will pay its fair share of taxes. Floridians, including residents of Orange and Osceola Counties, will not be on the hook. Do not fall for another partisan political lie amplified by the media."

Further, Florida House Representative Anthony Sabatini, who voted to rescind Disney's self-governing privileges, explained in an <u>interview</u> that the Florida legislature has "only completed the first step of what will be a multi-step approach to dealing with 'woke' Disney." The narrative that Disney will pay less in taxes and strap other county residents with higher taxes is "the new liberal lie they are peddling," he said, adding "the Reedy Creek district won't be gone for another 14 months."

According to Sabatini, "from this November through March 2023, there will be another special session where a slew of new laws regarding Disney will come out and get filed and slowly make their way into Florida statute. During that time, the expectation is that a law will be passed down making Disney pay the remainder of its debt."

#### **UPDATE: Disney Weighs in on the SCOTUS Abortion Leak**

According to the <u>Post Millennial</u>, Disney has purportedly joined <u>Amazon</u> and other various corporations in its commitment to assisting any of its employees who want to obtain an abortion but are not allowed one owing to their state's abortion laws.



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Through an employee <u>benefits package</u>, Disney will subsidize employee out-of-state abortions and sexchange procedures for their minor children, reported the outlet. The news broke in the wake of the leaked <u>Politico report</u> of the draft of the highly anticipated Supreme Court decision to overturn *Roe v*. *Wade* in the case of *Dobbs v*. Jackson Women's Health.

Christopher Rufo, a fellow at the Manhattan Institute, who has long reported on Disney's "woke" agenda, broke the news, tweeting: "Disney—the world's largest children's entertainment company—has adopted a benefits program that will subsidize out-of-state abortions for employees and support sex change operations for their minor children."

Disney—the world's largest children's entertainment company—has adopted a benefits program that will subsidize out-of-state abortions for employees and support sex change operations for their minor children.

— Christopher F. Rufo [] (@realchrisrufo) May 5, 2022

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