

# [***Disney V. DeSantis: Where Special District Fight Stands As Both Sides Go To Court Today***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:69VS-TNM1-DXVP-51XX-00000-00&context=1516831)

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**Highlight:** A federal judge will consider DeSantis motion to have Disney s lawsuit against him and his handpicked board thrown out.

**Body**

**Topline**

Attorneys for Disney and Florida Gov. Ron DeSantis (R) headed to federal court Tuesday as a judge considers whether to throw out Disney s lawsuit accusing DeSantis of unlawful political retaliation, asthe disputebetween the Florida government and Disney over the special district that oversees Walt Disney World continues to heat up more than a year after it began.

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Cinderella Castle at the Magic Kingdom at Walt Disney World, in Lake Buena Vista, Florida.

TNS

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**Key Facts**

U.S. District Judge Allen Winsor will hold a hearing Tuesday on motions to dismiss Disney s lawsuit by DeSantis and the board he appointed to take over Walt Disney World s special district, now known as the Central Florida Tourism Oversight District.

Disney sued DeSantisand his handpicked board in April, arguing the governor violated the company s First Amendment rights by retaliating against the company for criticizing the state s Parental Rights in Education Law, known by critics as Don t Say Gay.

DeSantis and the Florida legislature enacted a law that seized control of the special district and replaced its board with the governor s appointees kicking out the previous board, which was picked by landowners in the district, namely Disney and the DeSantis board then attacked Disney when it discovered the company made an agreement with the outgoing board that took away many of the leadership s powers over the district.

The DeSantis-appointed boardcountersuedDisney in state court over that development agreement, which the board complained essentially makes Disney the government, which is now in the discovery phase meaning both sides are gathering evidence to help them in the case after a state judgesided with the boardand allowed the lawsuit to move forward in July.

Since the DeSantis-appointed board took over, reports have emerged that morale is down at the special district previously known as the Reedy Creek Improvement District and the Associated Pressreportedmore than 40 of the district s 340 employees have left in the months since the takeover in February, with one unnamed employee saying in an exit survey the board prioritizes ***politics*** above all else and will gladly sacrifice its employees, its community and its work if there s an opportunity to score political points.

The board slammed Disney and its relationship with the district s previous leadership in areportreleased in December, which accused Disney of running an absolute monarchy with its power over the district and claimed the company gave gifts to the previous district s employees that were akin to bribes.

**What To Watch For**

It s unclear when the court will rule on DeSantis and the board s motions to dismiss Disney s federal lawsuit against them, which accuses the government of levying a targeted campaign of government retaliation against the company that threatens Disney s business operations, jeopardizes its economic future in the region, and violates its constitutional rights. Winsor is a Trump appointee who may be sympathetic to the governor and his appointees, though it remains to be seen how the judge will rule. It s also unknown when the case will go to trial if it isn t thrown out, with DeSantisseekinga post-election trial date in August 2025 while Disney wants the trial to start in July 2024. If Disney wins its lawsuit, the company is asking the court to revert the special district to how it was before DeSantis took control of it, in which Disney was able to essentially handpick who served on the board as the district s majority landowner. The state lawsuit is also unlikely to be decided soon, as the next hearing in the case on a motion to decide aspects of the case before it goes to trial isn t scheduled until March 2024.

**Chief Critics**

Disney s previous control over the special district is as clear a case of corporate capture as this Court is ever likely to see, attorneys for DeSantisarguedin the governor s motion to dismiss the company s lawsuit, claiming it gave Disney carte blanche to govern itself. The governor is asking for the case against him to be dismissed because DeSantis claims Disney lacks standing to sue him, as it was the legislature that actually passed the law that overhauled the special district s board and he merely signed it. The board members DeSantis appointed are also seeking to have the case dismissed,arguingDisney s claims the state violated the company s First Amendment rights are meritless and the theme park owner does not have a First Amendment right to its preferred governance structure for the district in which it is located.

**Big Number**

$40.3 billion. That s how much Walt Disney World contributed to Florida s economy in fiscal year 2022,accordingto astudyby Oxford Economics in collaboration with Disney that was released in November. Disney touted its importance to Florida on its theme park division sblogwhen the study came out part of its pushback against DeSantis attacks on the company also noting the company s presence in Florida generates more than 250,000 jobs, and that one in every 32 jobs in Florida can be attributed to Disney.

**Key Background**

The special district that oversees Walt Disney World was created even before the theme park opened to the public in 1971, operating essentially as a municipal government that handles infrastructure like water systems, road improvements, construction permits, emergency services and waste collection. Reedy Creek oversaw the Florida property without any issues until last year, when Disney said in astatementthat Florida s Don t Say Gay law should never have been enacted and its goal as a company is for this law to be repealed by the legislature or struck down in the courts. DeSantis and the GOP-controlled legislature responded by passing legislation that repealed the special district entirely, only to backtrack andenact a lawin February that kept the district in place, but just renamed it and overhauled the board to consist of governor appointees. Weeks after being installed, the DeSantis boarddiscoveredDisney had made its deal with the outgoing board, which gives Disney broad control over the special district through steps like allowing it to build projects without seeking approval from the district, sell development rights to other landowners and veto the appearance of buildings the special district oversees as long as they re on Disney s property. The board and DeSantis vowed retaliation against Disney for the move, with DeSantis holding a press conference toannounceadditional measures against the company and the board vowing nothing is off the table in its revenge against Disney. As a result, the DeSantis appointees voted in April to declare the development agreement void and unenforceable prompting Disney tofile its lawsuitminutes later.

**Further Reading**

DeSantis Board Countersues Disney: Here s A Time Line Of Florida s War With The Mouse Over Special District(Forbes)

Disney Vs. DeSantis: Governor s Appointees Win In Court As Suit Against Company Cleared To Move Forward(Forbes)

Disney World Adds $40 Billion To Florida s Economy(Forbes)

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