

## EVENT NOTICE – STATEMENT RE: STATE OF FLORIDA LEGISLATION

On April 22, 2022, Governor DeSantis signed into law Senate Bill 4-C, which was passed by the Florida Senate on April 20, 2022, during a special legislative session, and by vote of the Florida House on April 21, 2022. The law dissolved 6 independent special districts (including Reedy Creek Improvement District) which were established by a special act prior to November 5, 1968, and which had not been reestablished, ratified or otherwise reconstituted thereafter.

Since the effective date of the above referenced law, Reedy Creek Improvement District (RCID) continued to, among other things, (i) provide the same level of services to its taxpayers, and (ii) honor its obligations to its bond holders in accordance with its enabling legislation and with the same level of service as it has since its establishment in 1967, including levying and collecting of ad valorem taxes, collecting utility revenues, paying debt service on ad valorem tax bonds and utility revenue bonds, complying with bond covenants, and operating and maintaining its properties.

On February 27, 2023, Governor DeSantis signed into law House Bill 9-B, which was approved by the Florida Senate on February 10, 2023, and by the Florida House on February 9, 2023, during another special legislative session. The bill, as written, ratifies and confirms the continued existence of RCID under a new name, the Central Florida Tourism Oversight District. The bill provides for continuation of the District's authority to generate revenue and pay outstanding indebtedness, without interruption, pursuant to transitional provisions of the Florida Constitution for pre-1968 special districts. The bill retains the District's full authority related to taxation and the issuance of bonds.

The bill incorporates a number of changes to the District's charter, the most significant of which include the following:

- Replaces the landowner-elected Board of Supervisors with members appointed by the Governor, subject to Senate confirmation, and provides limitations on appointment to ensure independence from operators of any theme park or entertainment complex.
- Removes the District's ability to amend its own boundaries without a special act.
- Removes the District's ability to exercise extraterritorial eminent domain powers, own and operate airport facilities, certain types of recreational facilities (such as stadiums, civic center and convention halls) and "novel and experimental" facilities (such as a nuclear fission power plant).

The bill authorizes the District to continue to do business as the Reedy Creek Improvement District for up to two years following the effective date of the bill to provide time to make necessary changes to legal and financial documents, physical assets and other locations where the RCID name is used. All legal proceedings and financial arrangements of the RCID may be continued and completed under its new name and all legal and financial documents and agreements of RCID continue to be effective and binding.