

Testimony of Rosanna Morey, Small Property Owner
Before the United States Senate Committee on Banking, Housing, and Urban Affairs

“The Rent Eats First:” How Renters and Communities are Impacted by Today’s Housing Market

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Thank you for the invitation to testify today and the opportunity to share my story.

My name is Rosanna Morey, I live on Long Island in New York, and am a small landlord of an owner-occupied home with a rental unit. I am a single mom with an incurable cancer that progressed before the pandemic began. I rented the apartment in my home, on a month-to-month lease to help with bills and to ease the burden on my life. As my health declined, I saw no other option but to speak to the tenant and provide notice for her to vacate so that my sister could stay with me to help me and my teenage son who has learning disabilities. She refused, and so began holdover filings and proceeding.

The pandemic hit and the eviction moratorium was put in place, which, by the way, was originally intended only for nonpayment and COVID-related hardship cases. But, somehow, all cases were lumped together. It did not take long for the tenant to stop paying rent. "Because I effing can, and you can thank your governor for that" was the response she gave a police officer when he asked why she continued to stay.

I had to work three jobs while undergoing treatments to make ends meet. She spitefully and incessantly smoked, knowing that I was sick and that it made me violently ill. She violated the lease, which clearly prohibited smoking because my son was asthmatic; she didn't care and there was nothing I could do about it.

I could go on with countless stories; thanks to Governor Hochul's and federal eviction moratorium extensions, this tenant was basically given the right to abuse the situation. She was allowed to live rent free for 2 years, ignore any and all rules outlined in a binding lease agreement that she signed and agreed to, and allowed her to destroy my property knowing there would be no recourse.

I was one of the very lucky people who received money from the Landlord Rental Assistance Program, or LRAP, New York's emergency rental assistance program for landlords whose tenants were unwilling to apply for federal emergency rental assistance. However, it was only one year's rent that I had to pay income taxes on, but the tenant was not required to pay taxes on the forgiven debt. The money from LRAP did not cover her entire back rent, nor the \$10 thousand in legal fees, nor the \$25 thousand it cost me to rebuild and clean the area that she destroyed, even leaving feces everywhere.

The overall aftermath and any new regulations that landlords would be subjected to will continue to drive them away from renting out properties. Policies such as the eviction moratorium led to abuse as in my case and many others and has caused a 2-year backlog in court. This has contributed to the housing shortage because landlords are still housing nonpaying tenants while waiting for their due process. ERAP/LRAP also did not really help landlords because a tenant that expects the government to pay will simply not pay their own rent. This perpetuates a 'who cares' attitude and impacts landlords' livelihoods. Worse yet, permanently creating an emergency rental assistance program just makes it easier for government officials to re-impose an eviction moratorium or lockdown orders, something we can all agree is bad.

The eviction moratorium that occurred during COVID led to government interference beyond what should have ever been allowed. The government should not discourage landlord participation as that will just drive them away and make housing more expensive for all.

With too many restrictions, affordable housing providers like myself will reconsider renting going forward. Some will just sell and leave, some will put more stringent requirements and tenant screening criteria in place, and some will just raise the rents to cover themselves 'just in case'. We are already starting to see the impact as social media videos have begun to circulate teaching prospective tenants how

to create fake W2's and bank statements, etc. because so many chose not to pay rent that now they cannot provide the documents required for a new apartment. This cannot continue.

Today, I am asking policymakers to consider landlords, particularly small mom-and-pop landlords, and single parent landlords trying to make ends meet, and sick landlords like myself just trying to get by, because after all, we have families to support too.

Thank you and I look forward to answering your questions.