

## **Time To Get Those Ag Leases Renewed**

### **AGRI-VIEWS**

by Chuck Otte, Geary County Extension Agent

Agricultural leases for crop or pasture land are recognized by the state as legally binding contracts even if the agreement is an oral agreement or what we commonly call an oral lease. Years ago, Kansas lawmakers also realized that oral leases could be vague and ambiguous so they adopted statutes that were designed to protect landlords and tenants who chose to enter into oral agricultural leases.

Perhaps the most important part of the Kansas ag lease law has to do with how a lease is terminated. An oral lease, by law, is only valid for one year at a time. However, it will automatically renew annually, until such time as proper notice of termination is given. The terms may be tweaked from year to year, but the tenant has the right to farm or pasture that land until such time as the landlord gives proper notification.

The statutes are extremely specific about how notification will be given. Notice of termination of an ag lease must be given in writing, at least 30 days prior to March 1<sup>st</sup> and the termination date of the lease is set as March 1<sup>st</sup> except on those acres planted to a fall seeded crop, most notably wheat. The lease on those acres terminates the day after the last day of harvest of those acres, or August 1<sup>st</sup>, whichever occurs first. Any notice to terminate that does not meet all three of these requirements is not legal and the tenant has the right to continue farming the land or renting the pasture as the statutes do treat crop land and pasture land the same.

This year 30 days prior to March 1<sup>st</sup> is January 30<sup>th</sup>. I encourage landlords and tenants to be taking the time now to determine what, if any, changes they want on their ag lease agreements. That way, if the landlord and tenant can't come to agreement, the landlord has time to give proper notification. If no changes are agreed upon prior to January 30<sup>th</sup>, then the lease will continue under the same terms as last year. Naturally, if the landlord and tenant agree on the changes, these can be enacted at any time, but they would not be enforceable if a disagreement arose between the two parties and it went to court.

These stipulations only have to do with oral leases. If you have a written lease, you can have start and end dates any time that you want them. If you have a written lease, but it doesn't have start and end dates specified, then by statute it is enforceable under the same terms as oral leases, that being March 1 to March 1. If you rent pasture land under an oral lease, then the tenant has control of that pasture for all 12 months. If you want to only allow them access to the pasture for the grazing season, then you need to have a written lease that specifies when the livestock go in and when they must be out.

One of the things that many landlords don't realize is that a land lease actually conveys total control of the rented acres to the tenant. That includes the right to plant what they want, use the resources as they see fit, even deciding who to let hunt on that land. The statutes give very specific conditions under which the landlord can enter the property. Most tenants don't push this issue and they have very amenable agreements that don't take advantage of landlord. But there have been surprises, especially where it comes to firewood harvest and hunting rights.

I don't really like oral leases because they are so ambiguous and the landlord doesn't really have much control. But they are legally binding and recognized by the state. So if you have an oral lease, keep that 30 days prior to March 1<sup>st</sup> deadline in mind and spend the next few weeks getting all your 2013 ag lease details arranged! Be sure to stop by the Extension Office and ask for the Kansas Ag Lease Law bulletin for more information.

