

Ag Lease Deadline Looming

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 of termination will be given. Notice of termination of an ag lease must be given in writing, at least 30 days prior to March 1st with the termination date of the lease set as March 1st 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 1st, 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 1st is January 30th. I encourage landlords and tenants to be taking the time now to finalize 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 30th, then the lease will continue under the same terms as last year. Naturally, if landlord and tenant agree on 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, 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 the landlord. But there have been surprises, especially where it comes to firewood harvest and hunting rights. Be sure to stop by the Extension Office and ask for the Kansas Ag Lease Law bulletin for more information.