## News Column

Stacy Campbell Cottonwood Extension District, Hays December 10, 2019

## **Getting it in Writing – Agriculture Land Leases**

The last time farmers and ranchers in Kansas were surveyed, over two thirds of all crop and pasture land was leased and most tenants had at least three landlords that they deal with. Therefore, there are lots of different lease arrangements, factors to consider and places where misunderstandings can happen. Additionally, many leases are still oral leases that are "signed" with a handshake.

One of the best ways to create a better understanding between tenant and landlord in most cases is to have a written lease. Having a written lease can lead to many topics for discussion that otherwise might not be considered. These, would include but are not limited to:

Hunting/fishing rights

Recreation access

Payment due dates

Termination procedures

In addition to the previously mentioned items, a written pasture lease for example can spell out responsibilities of both parties in regards to:

Care of fences

Noxious weed control

Water supply maintenance

Grazing capacity restrictions and beginning and ending date of grazing season

A bonus of a written lease is that it documents the terms of the business relationship in case the contract is questioned. This can be especially important if the land changes hands.

Obviously, it is not necessary to have a written lease in order to have good communication between tenant and landlord but it can be helpful in spelling things out and avoiding misunderstandings and hard feelings. There may be some cases when introducing the possibility of implementing a written lease might damage the business relationship. Whether you have a written lease or not, make sure those lines of communication are kept open.

If you have questions about leases or leasing, contact your County or District K-State Research & Extension Office.

## Kansas Lease Law

The following summarizes some of the provisions of the Kansas lease law.

- 1) In 2002 the law was changed so that the same termination date (March 1) and notification procedures apply to pastures, hay ground and cropland.
- 2) For non-written leases of pastures and cropland, notice to terminate must be given in writing at least 30 days prior to March 1 and fix tenancy termination date on March 1.
- 3) For fall seeded crops notice to terminate must be given in writing at least 30 days prior to March 1 and fix tenancy termination date on March 1.

Tenant has right to harvest crop, tenancy will terminate after harvest or August 1 whichever occurs first.

- 4) Recent Legal Ruling (2000): If notice is given early, BEFORE any field work starts for wheat crop in the fall, then lease is terminated on the following March 1.
- 5) Written lease termination notice terms will supersede state law for oral leases.
- 6) IF prior to termination notice, Tenant has tilled, applied or furnished fertilizers, herbicides, or pest control substances & has NOT planted the crop, THEN the Landowner must pay the tenant a fair and reasonable value of those services furnished.
- 7) Tenants Are NOT Allowed Compensation for Land Improvements UNLESS Otherwise Stated in a Written Lease
- 8) Unpaid Rent is an Automatic Lien on Crops.
- 9) With a crop share lease, a RENTAL LEIN attaches to the landowner's share of the crop. The landowner must file to perfect this lien.
- 10) If Tenant Dies, the lease is terminated, no notice to the tenant's heirs is necessary.
- 11) If Landowner Dies, heirs assume the lease.
- 12) If property sells, lease goes with property. If landlord fails to disclose lease to new owner they are responsible for making tenant whole.

As with all laws, lease laws are subject to change from legislative action or interpretation from judicial review. Consultation with a legal professional may be necessary. A KSRE publication on "Kansas Agriculture Lease Law" is available on our web site at www.cottonwood.ksu.edu

More detailed information on leasing arrangements, leasing guides to develop a written lease and further leasing information is available on the KSRE Ag Economics web site at <a href="https://www.agmanager.info">www.agmanager.info</a> the grey header across the page click onto Land & Leasing.