# Legal Aspects of Landlord-Tenant Relationships in Oklahoma

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# FOREWORD

Each State is perfectly free to establish its own tenancy law, within broad limits set by the due process and similar clauses of the Federal Constitution; but so far Oklahoma has not extensively availed itself of its privilege. Tenancy law, as all other State law, is a composite of constitutional provisions, the common law, statutes, and judicial decisions. In Oklahoma there are no constitutional provisions relating specifically to tenancy. Moreover, the existing statutes are quite inadequate. Landlord-tenant relationships have thus been left to an undue degree either unguided, or to the guidance of the remnants of the old common law and chance judicial determinations.

Although the statutes of Oklahoma do contain provisions relating to the collection of rent, to the creation and termination of certain types of tenancies, and to a few other perhaps less significant subjects, the Legislature has not yet enacted such provisions as would tend (1) to make more secure and stable the tenure of farm operators, and (2) to encourage the improvement of farms and the conservation of rented land. Approximately one-half billion dollars worth of Oklahoma farm land was rented in 1935, yet statutes governing the relationships of landlord and tenant were almost totally lacking. This situation is not peculiar to Oklahoma. It is typical of most of the States. Hardly any other social field of comparable magnitude and importance has been so ignored by the various State Legislatures, despite society's vital interest in and dependence upon the land and the human relationships affecting the use of the land.

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# LEGAL ASPECTS OF LANDLORD-TENANT RELATIONSHIPS IN OKLAHOMA<sup>1</sup>

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#### INTRODUCTION

According to the 1935 Census, 131,000 of the 213,000 farmers in Oklahoma, or 61 percent, were tenants. (Figure 1.) Less than three farmers out of 10 owned all the land they operated. Approximately one farmer out of 10 owned part and rented part of the land he cultivated, while six out of 10 rented all the land they farmed. Of the 35,000,000 acres of farm land in Oklahoma, over 21,000,000 acres, or 60 percent, was rented. The land operated under lease was valued at approximately 500 million dollars in 1935.<sup>4</sup>

During the past few years much has been said about the problem of farm tenancy. It is a matter of concern to both National and State governments. In 1937, the Oklahoma legislature passed an Act providing for the creation of a Farm Landlord-Tenant Relationship Department to be under the supervision of the Director of Extension Division of the Agricultural and Mechanical College.<sup>4</sup> The purpose of the Act was to create a better relationship between farm landlords and tenants through (a) preparing equitable rental contracts, (b) inaugurating an educational program undertaking to convince both landlords and tenants of the advantages to be obtained from long-term contracts, (c) conducting meetings of landlords and tenants in order that a better understanding might be obtained between them, (d) assisting landlords and tenants in taking advantage of existing farm organizations, associations, and cooperatives, and (e) working out a basis for arbitration of differences arising between landlords and tenants.

<sup>&</sup>lt;sup>1</sup> Acknowledgement is made of the assistance rendered by Marshall Harris of the Bureau of Agricultural Economics under whose direction this bulletin was prepared, and the helpful suggestions of Dr. Peter Nelson and others of the Oklahoma Agricultural Experiment Station and H. A. Graham of the Oklahoma Extension Service.

<sup>&</sup>lt;sup>2</sup> Mr. Coleman is a member of the Arkansas Bar and Mr. Hockley is a member of the Pennsylvania Har.

<sup>&</sup>lt;sup>8</sup> For a detailed description of the extent and distribution of farm tenancy in Oklahoma see Oklahoma Experiment Station Bulletin No. 239.

<sup>4</sup> Oh. 53, Session Laws 1936-37.

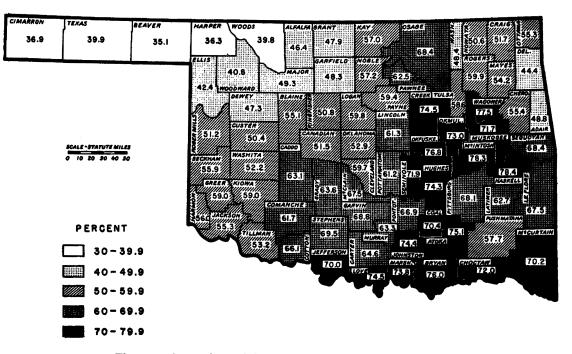


Figure 1.-Percentage of farm tenancy in Oklahoma, 1935.

In carrying out this Act, the Department appointed committees, composed of landlords and tenants, in nearly every county in the State. Numerous meetings were held with these committees and with groups of farm landlords and tenants. Most of the work has been of an educational nature, although considerable economic and social information has been obtained. The work begun by the Landlord-Tenant Department is now being carried on by the Extension Service as an educational program.

This bulletin is being made available to these committees and to other interested citizens in the State in order that they may understand more completely certain legal aspects of the problems with which they are dealing, and so they will know of the various types of adjustments that may well be given consideration. The present status of the landlord and tenant law of the State will be described in some detail, and various possibilities of adjusting some of the more obvious shortcomings will be presented.

To describe the legal aspects of the relationships of landlords and tenants, it is necessary to consider the State Constitution, to determine the provisions of existing farm landlord and tenant statutes, and to study all pertinent Supreme Court decisions. Since many lawsuits between landlords and tenants do not reach the Supreme Court, and since many of their differences are not settled in the courts, a field study was made to determine the way in which the laws affect the day-to-day working relationships of landlords and tenants.

Thus, an exhaustive study of the present landlord and tenant law of the State was undertaken in the early part of 1939. Later the authors, who are attorneys, together with agricultural economists,<sup>5</sup> working in pairs, interviewed approximately two hundred persons in about half of the counties of the State in an effort to determine the actual effect of the law upon the relationships of landlords and tenants. Those interviewed included landlords, tenants, agricultural officials, representatives of credit agencies, bank officials, Indian agents, State School Land officials, legislators, justices of the peace, judges, attorneys, and others.

Many of the possible adjustments in the present law were suggested by the persons interviewed and by the landlord and tenant committees mentioned above.<sup>6</sup> Other adjustments suggested in this bulletin are those which have been made in one or more American States in an endeavor to improve their tenancy system. Still other of the adjustments suggested have been made recently in other countries where similar tenancy problems existed, and where these adjustments have proved highly successful.

<sup>&</sup>lt;sup>5</sup> John H. Southern and James Salisbury, Jr., Associate Agricultural Economists, Bureau of Agricultural Economics, and Owen Scott, graduate student, Department of Agricultural Economics, Oklahoma A. and M. College.

Oklahoma A. and M. College, Extension Division, "What Landowners and Tenants Are Thinking" and "Farm Landlord-Tenant Hearings." (Mimeographed.)

# Oklahoma Agricultural Experiment Station

# **DISTINGUISHING BETWEEN TENANT AND SHARECROPPER**

Very few landlords and tenants when entering into rental arrangements, whether a tenancy contract or a sharecropping agreement, give any consideration to their legal rights and obligations. It is only when some difficulty arises that they are concerned as to the type of relationship that is created. Since the law does not clearly indicate the characteristics distinguishing between a tenancy contract and a sharecropping agreement, it is impossible when difficulties arise for either of the parties to know his legal rights and duties under the arrangement. Therefore, it becomes a matter for the courts to decide or it becomes necessary for one party to give in to the contentions of the other party.

In the lay mind, however, tenants in Oklahoma are divided into two classes: renters and sharecroppers. The renter is considered to be one who furnishes his supplies and equipment and his workstock and feed for them. He usually pays either a share of the crops or cash for the farm he rents. Quite often he pays both cash and a share of the crops; or, if he is a livestock farmer, he may pay as rent a share of the livestock and livestock products. Under arrangements of these types, the landlord, of course, furnishes the land and buildings and sometimes supplies certain material that is necessary to keep the buildings in repair and to maintain the land resources.

A sharecropper, on the other hand, furnishes principally labor; and in turn he receives a share of the crops, usually one-half, for this contribution. In addition to the labor that is necessary to produce the crops, he may share with the landlord certain operating expenses, particularly seed and fertilizer. The landlord furnishes not only the land and buildings but also the workstock and most of the nonlabor costs of production. The landlord usually plans and organizes the farm program for the sharecropper and controls rather definitely his day-to-day farming operations.

The Census of Agriculture distinguishes between sharecroppers and renters principally on the basis of the person furnishing the workstock. If the workstock is furnished by the landlord, the operator is considered a sharecropper; if the operator furnishes the workstock, he is considered a renter. These differences between renters and sharecroppers, both among farm people in the State and as used by the Census, are based upon the economic factors involved and do not take into consideration legal distinctions.

Numerous decisions of the Oklahoma State Supreme Court do not follow either the lay concept or the Census definition in distinguishing a tenant from a sharecropper. Under these decisions, determination of whether an operator is a cropper or a tenant depends largely upon the intention of the parties as indicated by the control over and management of the farm. Neither the relative contribution of the two parties to production expenses nor the proportion of the products received as rent are controlling considerations in determining whether a tenancy or sharecropping agreement has been created. The operator may furnish everything except the land and buildings and be considered a cropper, or he may furnish only his labor and be considered a tenant. In practically every decision involving a distinction between a tenancy and a sharecropping arrangement, the court has apparently made an effort to decide the case not on mere legal technicalities but so that the decision will result in a fair and equitable solution to the problem.

In several leading cases the court has indicated that a sharecropper is a hired hand who is paid as wages a share of the crops produced, while a tenant pays to the landlord a share of the crops which he produces as rent for the farm. A sharecropper does not have legal possession of or control over the farm and enters upon it by virtue of the same right that a laborer enters a factory, while a tenant has complete possession of and control over the farm during the term of his lease, and may even prevent the landlord from entering upon the property unless such a right is reserved in the contract. A sharecropper does not own the crops produced but rather has a lien against the crops for his proportionate share as wages, while the tenant owns the crops grown on the farm and the landlord has a lien on the tenant's crops for the rent due him. A sharecropper may be completely supervised and directed in his farming operations, while a tenant has complete right to organize and manage the farm as he sees fit unless the landlord has reserved these rights in the contract. Thus, a sharecropper is a laborer and an employer-employee relationship is established, while a farmer operating under a contract of tenancy is a tenant and a landlord-tenant relationship is established.<sup>7</sup>

Since there is no statute distinguishing a tenancy from a sharecropping agreement, and since the courts must judge each case in light of the peculiar circumstances involved, many farm operators in Oklahoma are in a position of not knowing their exact tenure status. It appears that these uncertainties might well be eliminated by legislative action.

One procedure would be to construe as establishing landlord-tenant relationships all agreements for the use of land where the two parties are to receive stipulated shares of the crops produced. Alabama, for example, attained this result through legislative enactment in 1915.<sup>6</sup> Other States, especially those to the north and west—Nebraska and North Dakota, for example—reached practically the same result by interpreting all such farm contracts as creating either a tenancy or a joint venture similar in many respects to a partnership.

A second procedure would be to recognize the continued existence of sharecropping as an employer-employee relationship and in a new statute to distinguish clearly between a tenancy and sharecropping agreement.

If the first procedure were followed, some of the present sharecroppers would automatically become tenants and their status would be enhanced thereby. They would also be benefited by any improvement in the tenancy

<sup>&</sup>lt;sup>7</sup> Halsell v. First National Bank, 109 Okla. 220, 235 p. 532 (1925).

<sup>&</sup>lt;sup>8</sup> Alabama Code, 1928, sec. 8807. See full text of statute in Appendix E of this bulletin.

system. Others would be changed to wage hands receiving cash for their labor, and their status would thus be lowered. If the latter procedure were followed, it would be necessary to enact legislation designed to regulate and improve agricultural employer-employee relationships in order to affect those operators who are now spoken of as sharecroppers. Of course, such legislation would also affect the present wage hands and those sharecroppers who would become wage hands if the first procedure were followed. Thus, any improvement in the status of farm laborers should accompany, and would be complementary to, an improvement in the farm tenancy system. Under the second procedure, if farm laborer legislation were not enacted, the parties could easily make a sharecropping agreement rather than a tenancy contract and thus become exempt from all aspects of the improved tenancy system; or most sharecroppers and some tenants could be forced down the ladder into the wage-hand status if the first procedure were followed. Any significant improvement in the tenancy system, therefore, might be accompanied by an increase in sharecropping and a corresponding decrease in renting unless properly strengthened by an improvement in the farm labor situation.

# **INSECURITY AND INSTABILITY OF TENURE**

According to the Agricultural Census for 1935, on January 1 of that year approximately 71,000 of the 131,000 tenant farmers of the State had been occupying their farms for less than two years, and less than one-tenth of the tenants had been occupying their farms for as many as ten years. (Figure 2.)

Such a high degree of instability among tenant farmers is not only expensive from the standpoint of the actual cost of moving, but it is costly to the State, since unstable farmers cannot develop a permanently productive system of farming based upon soil-conserving methods, nor can they become properly identified with the various economic and social activities of their communities. Conservational farming requires the adoption of long-time plans involving both a well planned system of cropping and the development of the various types of livestock enterprises.<sup>•</sup> Proper participation in community activities can be accomplished only if the tenant remains in the community long enough to become associated with the local school, church, fraternal lodge, and farm organization.

According to a study made of the economic and social consequences of moving from farm to farm year after year, the average direct cost to the tenant farmer for each move was approximately \$27.<sup>10</sup> This means that the total direct cost for moving approximates a million dollars annually to the tenants of the State. In addition, moving causes a necessary loss due to selling of feed and livestock and to damages to household furnishings and

<sup>&</sup>lt;sup>9</sup> Nelson, Peter, "Current Farm Economics," Vol. 11, No. 2, April, 1938, p. 31. Okla. Agri. Exp. Sta., Stillwater, Okla.

<sup>&</sup>lt;sup>10</sup> Sanders, J. T., "The Economic and Social Aspects of Mobility of Oklahoma Farmers," Okla. Agri. Exp. Sta. Bul. No. 195, Oklahoma A. and M. College, Stillwater, Oklahoma, August, 1929.

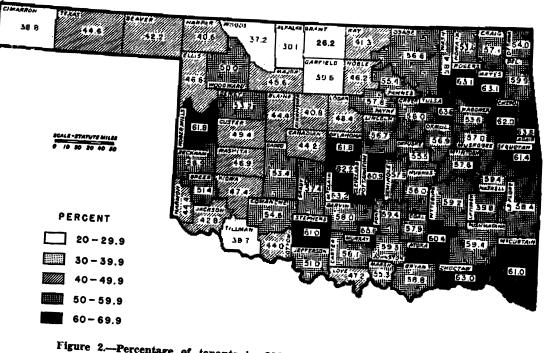


Figure 2.—Percentage of tenants in Oklahoma who had occupied their farms for less than two years on January 1, 1935.

equipment. An additional expense is incurred in locating a new farm. There is a further intangible cost to the tenant farmer in not being able to develop valuable economic and social connections and in a serious retardation in the educational progress of his children. The latter item is particularly significant, since many of the moves take place in December and January in the middle of the school year.

Some Oklahoma tenants have experienced a fairly high degree of stability of occupancy; that is, they have remained on their farms over a relatively long period of years. Yet some of these have not had a feeling of security. They do not know whether they will have to move at the end of the crop year. They have a sense of apprehension which probably affects the operation of their farms more than would a knowledge that they will move at the end of the lease. Thus, long-term occupancy does not mean security, although the two do tend to go hand in hand.

The high degree of insecurity and instability is due in part to the loose manner in which landlords and tenants agree to the renting of land and in part to factors related directly to the landlord and tenant laws of the State.

Statements of many of the persons interviewed and statements of students of the problem indicate that the uncertainties as to the type of tenancy created, the unsatisfactory ways by which these tenancies may be terminated, and the difficulties and delays of removing a tenant who holds over are some of the most serious problems adversely affecting both landlords and tenants.

### **Types and Termination of Tenancies**

#### **Oral Contractual Tenancies**

The most common type of lease between private individuals in Oklahoma is agreed to orally for a period of one year and terminates without notice from either party.<sup>11</sup> It is created by a short conversation between the two parties, without consideration of the many details and problems likely to arise during the year. Under an oral lease, either party is likely to misunderstand the other party or to forget the exact provisions of the understanding entered into. The uncertainties of this situation and the likelihood of a serious misunderstanding may result in improper farming and even a termination of the tenancy.

Some of the oral leases, however, are created for indefinite periods, the two parties agreeing that the lease will continue as long as no difference arises. Leases of this type are entered into even though a State statute provides that an oral lease for a period of more than one year is invalid and unenforcible. Under leases of this type the tenant has no security of occupancy since he may be considered a trespasser and given a three-day notice to move.

<sup>&</sup>lt;sup>11</sup> Parsons v. Root, 122 Okla. 25, 250 P. 503 (1926).

Regardless of whether the oral lease is made definitely for one year or whether it is supposed to continue as long as the relationship is agreeable, the tenant has no assurance that he may remain on the land for more than one year at a time. He may feel that the landlord will permit him to remain on the farm for another year and possibly a third year or more, but he can never be certain until a new agreement for each year has been reached. At any rate, the tenant at no time has a sufficiently long expectancy in his occupancy of the farm to organize and manage it efficiently. Under this short-time expectancy he is quite unwilling to make improvements or even to make extensive repairs, realizing that he may not be able to receive the full benefit of such improvements and repairs since his lease may be terminated at the end of the year. This situation provides no incentive to the tenant for planting winter cover crops, building terraces or dams, or for conforming with other conservational measures which are necessary to prevent the property from eroding and deteriorating.

# Written Contractual Tenancies

A portion of the rented land in the State is owned by corporations and the State School Land Commission, or is under the supervision of the Indian Service.<sup>\*</sup> The corporate-owned land is often leased in writing, usually for a one-year period. These written leases ordinarily terminate at the end of the year without notice from either party.<sup>22</sup> Thus the tenants on these lands are as insecure as the tenants renting privately-owned land under one-year oral leases, and they follow a system of exploitative farming very similar to that described above.

Most tenants renting Indian land usually have one-year written leases, even though Federal regulations provide that such farms may be leased for a period of five years. These tenants likewise hold their farms under insecure tenures and are under all of the serious handicaps resulting from this situation. The tenants on school land also have written leases. The school land tenants usually have "preference" leases which cover a five-year period under which the tenant has a right either to renew for another five-year period or to purchase the land if it is offered for sale. A few of the school land tenants have one-year "non-preference" leases which terminate at the end of the year without notice.

### **Statutory Tenancies**

As indicated, all oral tenancies terminate at the end of each year without notice from either party. If the tenant remains on the property at the end of the term without having secured a new lease from the landlord, he

<sup>\*</sup> A study (Project 300) completed by the Oklahoma Agricultural Experiment Station after the manuscript for this bulletin had been prepared by Meesrs. Coleman and Hockley showed the following proportions of the three types of ownership: Corporation, 1.-830,952 acres, or 4.0 percent; Indian, 2,447,439 acres, or 5.5 percent; State, 850,101 acres, or 1.9 percent; total, 5,128,492 acres, or 11.4 percent. However, about 15 percent of the corporation-owned land and 30 percent of the State-owned land is arable agricultural land; so it might be said that about 10 percent of the State's arable land is under these three types of ownership. It also should be remembered that much Indian land is today farmed by the Indians themselves.--Editor.

<sup>&</sup>lt;sup>12</sup> 41 Okla. Sta. Ann. sec. 8.

may be treated as a trespasser.<sup>13</sup> If the landlord desires to oust a trespasser. he can do so by giving a three-day notice to vacate.<sup>14</sup> If, however, the tenant remains on the property without objection from the landlord, it is usually assumed that he is occupying the farm under the same terms as those in the original lease, although his occupancy of the farm is very insecure. The landlord may decide some time during the year that he desires to oust the tenant, and, since there is no lease with the tenant, he is only required to give him a three-day notice to vacate. In actua practice, however, if the landlord does not give notice to vacate soon after the end of the year he may find it difficult, if not impossible, to remove the tenant during the current crop year.

Written leases likewise terminate at the end of the term of the lease without notice from either party. If the tenant holds over from a previous written lease without the consent of the landlord, he may be considered a trespasser. If the tenant holds over after the end of a written lease with the consent of the landlord, according to the statutes, he becomes a tenant at will, and his tenancy may be terminated at any time during the year by a 30-day notice.15

Prior to 1911, however, such a tenant became a tenant from year to year and a three-month notice prior to the end of the year was necessary before the lease could be terminated. In 1911 the State Legislature abolished tenancies from year to year and substituted therefor tenancies at will. This statute changed significantly the manner by which such tenancies are terminated. The tenant from year to year was entitled to a three-month notice for the termination of his tenancy, which could be terminated only at the end of the year, whereas the tenant at will under the new statute may have his lease terminated at any time during the year by a 30-day notice.

The 1911 statute meets the requirements of urban landlords and tenants. since they frequently pay their rent each month and since moving at the end of any month does not seriously interfere with the income-producing power of the family. It does not, however, meet the needs of agricultural landlords and tenants. The unnecessary hardships due to the termination of agricultural tenancies at any time during the year by such short notice are so obvious that in actual practice many agricultural landlords and tenants do not avail themselves of the new statute, continuing to give a threemonth notice. In fact, several court decisions since 1911 have followed the original statute, interpreting such cases as year-to-year tenancies requiring a three-month notice for termination.<sup>16</sup>

With particular reference to the 1911 statute, Professor Kulp said:

"It is a curious thing that there is a series of cases decided after the statute was amended still making it a tenancy from year to year.

<sup>&</sup>lt;sup>18</sup> Gergens v. McCollum, 27 Okla. 155, 111 p. 208 (1910).

<sup>&</sup>lt;sup>14</sup> 39 Okla. Sta. Ann. sec. 395. <sup>15</sup> 41 Okla. Sta. Ann. secs. 2, 4,

<sup>&</sup>lt;sup>16</sup> Tipton v. North, 89 Okla. App. Ct. Rep. 349, 185 Okla. 365 (1939); 41 Okla. Sta. Ann. sec. 5

In Jacobson v. Knee the court decided without discussion that the holding over created a tenancy at will, but in Harley v. Paschall the court again says it is from year to year relying on the original statute of 1910. Not until Parsons v. Root is an attempt made to apply the proviso; and only in Turner v. Bishop does the court venture to explain it. But a section which has caused so much trouble could surely be improved upon."<sup>17</sup>

To summarize, oral leases can legally be made for the duration of only one year. They terminate at the end of the year without notice. If a tenant remains on the farm after the expiration of his lease, he must secure a new one or he may be considered a trespasser and given a three-day notice to move. Written leases, regardless of their length, terminate without notice at the end of the term. If a tenant holds over following a written lease without the consent of the landlord, he may be considered a trespasser. If he holds over with the consent of the landlord, according to the statutes he becomes a tenant at will and is entitled to a 30-day notice for termination of the lease. However, according to many cases decided since the repeal of the statute defining a tenant from year to year, farm tenants holding over with the consent of the landlord may be considered tenants from year to year and be entitled to a three-month notice for termination of their tenancy.

# **Termination of Tenancies**

Even though a landlord gives the required notice for termination of the tenancy and the three-day notice to the tenant to vacate the property, nevertheless the tenant often does not move. If the landlord still wishes the tenant to move, he must take the case to court, instituting an action which is known as "forcible entry and detainer." Justices of the peace have original jurisdiction in these cases. The case may not be heard for several days, since the tenant's lawyer can obtain several continuations of the trial under one or more of the possible time-consuming procedural delays. When the decision is finally rendered, it may be appealed to either the county or the district court. Either of these courts may not be in session and trial may be further delayed several months. Before the case is finally decided, so much time frequently elapses that it is too late in the year to change tenants. Occasionally the landlord has rented the farm to another tenant. and, if he cannot give the new tenant possession due to the inability to have the old tenant removed, he may be forced to compensate the new tenant for the damages incurred. The difficulties that landlords have experienced in securing possession of rented property have caused some of them to pay the tenant to move rather than remove him through the established legal process. This is especially true when the landlord has leased the property to another tenant.

<sup>&</sup>lt;sup>17</sup> Kulp, Victor H., 9 Okla. State Bar Jour. 47-48, May, 1938.

#### **Possibilities for Increasing Security and Stability**

Several possibilities for increasing security and stability of tenure were mentioned by those interviewed as well as by those to whom questionnaires were sent. They include:

- (1) Written leases.
- (2) Preventing tenant from unlawfully holding over.
- (3) Long-term leases.
- (4) Automatically continuing leases.
- (5) Compensation for disturbance.

These possible adjustments in the tenure system are not necessarily to be considered as final recommendations or the final solutions to the problems in Oklahoma, but are to be weighed and evaluated by each individual. In doing this, the reader should realize that many of these adjustments have been made in other States and Countries with a high degree of success.

# Written Leases

The inherent shortcomings of the traditional oral lease are self-evident. A requirement that all agricultural leases be in writing would help remedy this situation,<sup>15</sup> particularly if the two parties would give consideration to all important problems likely to arise during the year and would express their mutual understanding in clear and concise language in the lease. Otherwise, a written lease may be as unsatisfactory as an oral lease. Essential agreements covering good farm management practices should be included in the lease, and it should contain provisions for the maintenance and improvement of the farm and for the compensation of the tenant at the termination of the lease for unexhausted improvements made by him. It should also provide a high degree of security of occupancy to the tenant and a real opportunity for the tenant to follow systems of farming found to be best adapted to the community in which the rented farm is located. It should, of course, contain the minimum legal essentials of a written lease, such as the names of the two parties, description of the property, length of term, contributions of each party, rental rate, and signatures of the two parties.

A State statute now provides that all leases for more than one year must be in writing.<sup>19</sup> Should the State legislature decide that all agricultural leases should be in writing, such a statute should contain a provision describing the position of the two parties if they were renting without a written lease. Otherwise, all oral leases would be void and the landlord could treat the tenant as a trespasser. The statute might well provide that in the absence of a written lease it is to be presumed that the farm was rented under an arrangement outlined in detail in the statute. The arrangement outlined in the statute should contain specific provisions regarding all items that the legislature deemed mutually advantageous to the two parties.

18 See Appendix C.

<sup>&</sup>lt;sup>19</sup> 15 Okla. Sta. Ann. sec. 136 (1), (5).

#### **Holding Over**

According to the judgment of persons interviewed and that of others familiar with the problem, the statute of 1911, which defines as tenants at will those who hold over at the expiration of a written lease with the consent of the landlord, should be restricted to urban tenants. If this were done, all rural tenants holding over in a similar manner would become tenants from year to year according to the common law, and would be subject to the same regulations as other tenants except that their leases would be terminable under an existing statute providing a three-month notice rather than a six-month notice as at common law.

The possibility of the legislature's changing the statute requiring a three-month notice for termination of year-to-year tenancies to the original common law requirement of a six-month notice for the termination of such tenancies has been suggested.

A number of States no longer have tenants at will. The Virgina Supreme Court in 1920 held that tenancies at will had been replaced by tenancies from year to year "on account of the uncertainties and injustices of the former."<sup>20</sup> The Supreme Court of North Carolina had reached the same conclusion in 1844.<sup>n</sup>

A further adjustment that merits consideration in this connection is a statutory enactment providing that all tenants who hold over at the expiration of oral leases with the consent of the landlord would also become tenants from year to year, subject to the same notice of termination as tenants holding over at the expiration of written leases.

The adjustments, however, would leave unsolved the problems arising when a tenant holds over without the consent of the landlord following either a written or an oral lease. As indicated, the chief problem arising in such cases is the uncertainty and delay experienced in forcible entry and detainer actions taken by landlords to secure possession of their property. This situation could be adjusted by requiring that a new lease, similar to the expiring lease, is presumed to have been entered into unless a three-day notice to vacate the property is given by the landlord within a specified period, possibly 10 days, following the end of the lease year.

# Long-Term Leases

Another procedure that has been recommended for increasing stability of occupancy and security of tenure is the adoption of long-term leases, that is, leases for three to five years, or more.<sup>29</sup> Changing from the present situation, where the lease terminates at the end of the year without notice from either party, to a situation where both parties are bound for a period of three years or more represents a major adjustment. Although many landlords and tenants who were interviewed recommended long-term leases, they did so

<sup>&</sup>lt;sup>20</sup> Elliott v. Birrell, 127 Va. 166, 102 S. E. 762 (1920).

<sup>&</sup>lt;sup>21</sup> Stedman v. McIntosh, 26 N. C. 227, 42 Am. Dec. 122 (1844).

<sup>&</sup>lt;sup>20</sup> See Appendix C.

with such a large number of qualifications that the general adoption of long-term contracts appears impossible. Neither landlords nor tenants expressed a desire to be bound by a long-term lease unless ideal relationships exist. They were all agreed that the first year or two should represent a trial period before entering into a long-term contract.

It appears that many of those recommending long-term leases as the only means of increasing security of occupancy did so because they felt that such was the only means of attaining that worthy objective. Their qualifying statements indicated, however, the realization that long-term leases might not produce ideal results. Experience with long-term leases in Oklahoma might well be similar to that in some European countries where at one time they were used. Under traditional nine-year European leases it appears conventional for the tenant farmers to spend three years improving the farm, three years cultivating it in a husbandlike manner, and the last three years exploiting it to the fullest extent in order to realize the maximum returns, leaving it in as bad or worse condition than it was at the beginning of the lease.

### **Automatically Continuing Leases**

A further adjustment in this situation, which has been suggested by several landlords and tenants, is a statute requiring that all agricultural leases, whether written or oral and regardless of their length, be automatically continued from year to year and can be terminated only by either party giving notice several months before the end of the term.<sup>20</sup> Several persons suggested that the notice for termination should be given at least six months before the end of the term, while others preferred a shorter period. If all agricultural tenancies in the State were terminable only when notice for termination was given, the landlords and tenants in the State would be left as free as they are at present in regard to their reasons for desiring to terminate a lease. They would be required only to give a period of notice sufficiently long to diminish some of the undesirable economic and social consequences of the insecurity with which tenant farmers hold their land.

As very few tenants are now entitled to any notice at all for terminating their leases, and as it cannot definitely be said that a certain period of notice should be given, it perhaps would be well to require only a threemonth notice. If, after this practice has been followed for a time, it is discovered that a three-month notice for terminating leases is inadequate, the legislature could provide a longer period of notice.

It is conceivable that the requirements regarding length of time for termination should vary according to the type of farming that is being carried on. For example, under a livestock share system of farming the advisability of requiring a period of time longer than three months might well be given consideration. This is based upon the fact that moving to another farm disrupts the plans of the livestock farmer more seriously than those of the crop farmer.

28 See Appendix C.

# **Compensation for Disturbance**

Another procedure which should be given consideration in an endeavor to increase security and stability has been adopted by some landlords and tenants in this country, and has worked successfully in several other countries over a long period of time. This procedure, commonly spoken of as "compensation for disturbance," provides that either party may terminate the lease for good cause by giving notice, and without good cause upon a payment for damage, loss, or inconvenience experienced by the other party owing to the termination of the tenancy.<sup>24</sup>

If a procedure of this type is deemed advisable, the determination of what constitutes "good cause" becomes important, since the party so terminating the tenancy would not be required to pay compensation for disturbance. The English have evolved over a period of time a rather comprehensive list of conditions constituting "good cause." The conditions under which Oklahoma landlords and tenants may well be permitted to terminate their tenancies with good cause and without the consent of the other party might include the following:

- (1) Tenant is not cultivating the farm according to the rules of good husbandry.
- (2) Tenant is delinquent in his rent.
- (3) Death of either party.
- (4) Landlord desires to operate the farm himself.
- (5) Landlord or tenant has caused a breach in the contract which is not remedied after notice.
- (6) Either landlord or tenant is bankrupt or the farm is foreclosed.

If compensation is payable, the amount may be determined in several ways. First, it may be based upon the loss or damage sustained in each individual case. If this procedure is followed, the two parties may mutually agree upon the amount of compensation, or in case of disagreement, the matter may be settled by arbitration or by a court qualified to evaluate such losses equitably and expeditiously. Second, it may be possible to fix a predetermined rate of compensation, such rate being either a percentage of the annual rental or a stipulated lump sum. This would eliminate the necessity for determining the amount of loss or damage in each individual case, and thus possible differences and disputes would be eliminated.

### **IMPROVING THE FARM AND CONSERVING THE LAND**

According to the 1930 Census of Agriculture, the average value per acre of Oklahoma land operated by owners was \$29.84 while for the tenant farmers it was \$31.89. Tenant farms, however, were not as well improved as owner farms, as indicated by the value of farm buildings. The average value per acre of all buildings on tenant-operated farms was only \$5.22 as

<sup>&</sup>lt;sup>24</sup> Harris, Marshall, "Compensation as a Means of Improving the Farm Tenancy System." Land Use Planning Publication No. 14, p. 46. Resettlement Administration, Washington, D. C. Feb., 1937. (Mimeographed.)

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compared with \$7.36 for owner-operated farms. A comparison of the average per acre value of dwellings reveals a similar situation, these averages being \$3.25 and \$4.38, respectively.<sup>25</sup>

Moreover, the farm homes of owner-operators are much more adequately supplied with modern conveniences than the homes of tenant farmers. The proportion of owner-operators who have supplied themselves with electric lights, according to the latest information, was about six times as large as the proportion of tenants (8.2 and 1.3 percent, respectively). Comparable data for running water in the house reveal a similar tendency (10.5 and 2.0 percent, respectively); while running water in the bath is much more prevalent, about 8 to 1, in the homes of owners than in homes of tenants.

On the other hand, the difference between owners and tenants in regard to the proportion who have telephones is not so striking. Less than three times as large a proportion of owners have telephones as tenants (42.6 and 15.7 percent, respectively). Thus, it is obvious that tenants are more similar to owners in regard to those things which they can move when the lease is terminated than they are with reference to structural facilities that become a part of the dwelling.

A recent study shows a most striking difference between owners and tenants in their maintenance of the land. Data for 213 farms in the Washita Watershed show that erosion conditions are much more severe on tenant-operated than on owner-operated farms. The erosion runoff rating on owner farms free of mortgage was 4.0, on mortgaged owner farms it was 5.4, while on tenant-operated farms it was 6.2, indicating a much more severely eroded condition on the farms of tenants.<sup>24</sup>

The unfavorable comparison of tenant-operated farms with owneroperated farms as to the adequacy of farm improvements, the more severe deficiency with regard to home facilities on tenant farms, and the marked difference between owner farms and tenant farms as to soil erosion are due to several factors. One, of course, is the matter of insecurity and instability, as indicated earlier. Another is the lack of financial incentive on the part of the landlord to furnish adequate improvements and facilities. A third, and probably the most important, is the precarious situation of the tenant under the present landlord and tenant law of the State regarding improvements which he may make and facilities which he may add, and the manner in which these laws have permitted and encouraged a widespread disregard for the maintenance of rented property.

<sup>&</sup>lt;sup>35</sup> Average value per acre is used in preference to average value per farm in order to eliminate the influence of size. Based upon average value of buildings per farm, the comparison between owners and tenants is much more striking, comparable averages being \$1,559 and \$681, respectively.

Preliminary unpublished draft of the "Land Tenure and Ownership" section of the Washitz Watershed Flood Control Report. B. A. E. 1989. Erosion ratings on individual farms varied from 1.0, indicating no erosion, to 10.0, indicating severe erosion.

#### Removal of Fixtures<sup>27</sup>

When the Oklahoma Code was first adopted, the common law rule as to the removal of fixtures made by tenants was enacted by the legislature. This statute carried an exception discriminating against agricultural tenants, while it permitted tenants in business to remove at the termination of the lease all fixtures which they had erected and which could be severed from the property without substantial injury to it. An agricultural tenant, however, was permitted to remove fixtures placed upon the leased premises only if he had made a special arrangement with the landlord permitting the removal of such fixtures. This statute works a serious handicap upon agricultural tenants. They are unwilling to leave fixtures on the property which they do not have an opportunity to use for a reasonable period. Therefore, many tenants live year after year without labor-saving devices which they would install if they could remove them when the lease was terminated.

The Oklahoma Supreme Court, as early as 1898, in criticising the statute discriminating against agricultural tenants, declared that no good reason could exist in this country for such a discrimination; but, since the legislature had adopted such a rule, the court felt bound to regard it in all cases where it might properly be invoked. In thus criticising the statute, the Oklahoma Supreme Court followed a decision handed down by Mr. Justice Story of the United States Supreme Court in an earlier case.<sup>25</sup>

#### **Permitting Removal**

The problem arising because agricultural tenants are not permitted to remove fixtures could be met by rejecting the discrimination against agricultural tenants. New York and Pennsylvania have followed this procedure. It could be adjusted through the adoption of a uniform rule that the intent of the two parties governs the question as to whether fixtures are removable. Iowa and Ohio have followed this procedure. It lacks definiteness, however, since it is sometimes difficult to determine what was intended.

More definite adjustments could be made through a legislative enactment permitting the tenant to remove all removable fixtures erected by him, or to list fixtures which could be placed upon the farm and which he might remove upon the termination of the lease. If either of these principles were adopted by the legislature, the tenant could sell the fixtures either to the incoming tenant or to the landlord, if he did not choose to take them with him when he guit the farm.

These possible adjustments are minor in nature and would require only a short, simple statute. There is ample precedent in other States for making such adjustments. In fact, in Oklahoma in cases where the State itself is the landlord the agricultural tenant may remove all fixtures installed by him.

<sup>&</sup>lt;sup>27</sup> This section deals only with agricultural fixtures that are removable. A later section deals with improvements to the farm which are of a permanent nature and are not removable, as well as improvements of a temporary nature that are removable.

<sup>&</sup>lt;sup>28</sup> Winans v. Beidler, 6 Okla. 603, 52 p. 405 (1898); Van Ness v. Pacard, 2 Pet. (27 U. S.) 137 (1829).

Regardless of which procedure is used to adjust this obvious shortcoming, the tenant should be required to repair any damages to the landlord's property resulting from the removal of any fixtures. He should not be permitted to remove any fixtures for which the removal process will cause irreparable damages to the property.

#### **Repairs and Improvements**

At common law it is well settled that in the absence of any agreement between the parties the landlord is generally under obligation to his tenant to keep the rented property in repair. In Oklahoma this rule has been slightly modified by statute. A statute provides that the owner of a building rented for human occupation must put it in condition fit for such occupancy. If the building deteriorates as a result of the negligence of the tenant, he is required to make the necessary repairs. However, if the tenant takes ordinary care of the property and it later develops that repairs must be made, the tenant may request that the landlord make the repairs. If the landlord refuses, the tenant may make the repairs and deduct the cost from his rent or he may vacate the dwelling and thus be discharged from further payment of rent or performance of other conditions. Agricultural tenants have not often availed themselves of the opportunities under this statute, while urban tenants on the other hand have often resorted to it.

In regard to all aspects of the farm except the dwelling, it is the responsibility of the tenant to determine before entering into a lease whether the rented land is adaptable for the use intended to be made of it. Thus, a tenant cannot require the landlord to dig a well, to build or repair fences, to construct or improve terraces, or to repair buildings other than the dwelling, even though such is necessary for the proper operation of the farm. Neither can the tenant do such acts and expect to be reimbursed for expenditures incurred, unless a special agreement has been made to that effect. Furthermore, he cannot vacate the property and be discharged of his obligation to pay rent.

Many of the individuals interviewed were of the opinion that few repairs and improvements are being made on rented farms at present. This situation results in part from the lack of any statute permitting the tenant to be reimbursed for expenses incurred in making substantial repairs and in improving the farm. It is also influenced by the lack of a secure tenure under the customary one-year lease.

Different arrangements prevail with regard to land being rented from the State. Most tenants on State-owned land have relatively secure tenure. Furthermore, in the event they leave the property they may remove their improvements or they may sell them to incoming tenants.

#### **Providing for Substantial Repairs and Improvements**

The Oklahoma statute requiring that landlords make dwellings habitable and the one requiring that they repair damages caused by factors over which the tenant has no control are exceptionally good laws. In fact, they are superior to statutes governing similar relationships in most other states. Even though no rural case involving the habitable dwelling statute has been before the Supreme Court, it clearly appears that the statute is applicable to all dwellings throughout the State and that a farm tenant is entitled to claim its benefits under proper circumstances. If this is true, a worthwhile beginning has been made in establishing minimum standards for rural housing.

It seems necessary, however, that the legislature should give consideration to the advisiability of expanding this statute to apply to all aspects of the farm. If this were done, agricultural landlords would be responsible for placing the whole farm in proper condition for renting. Even if this statute were enacted and a statute permitting the tenant to remove all fixtures made by him were also enacted, the tenant's position with reference to improvements would still be unsatisfactory. This is true since there are many substantial repairs and improvements that the tenant can make more economically than the landlord and which cannot be removed readily. For example, it is difficult, if not impossible, to remove such improvements to the farm as lime, fertilizer, fruit trees, terraces, and improvements necessary in the supplying of water.

It might be well, therefore, to consider the advisability of enacting a statute providing that the tenant shall be compensated at the termination of the lease for the unexhausted value of the improvements made by him and remaining on the farm. Such a statute should provide definitely the conditions under which the tenant may make improvements and claim compensation therefor and the method for determining the unexhausted value of such improvements.

The tenant should not be permitted to claim compensation for major or relatively permanent improvements unless previous consent to the making of the improvements has been obtained from the landlord. There are minor, or relatively temporary improvements, however, which the tenant might well be permitted to make without necessarily obtaining the consent of the landlord, and for which he might claim compensation for the unexhausted value thereof at the termination of the lease. These improvements should be listed in the statute and might include such items as the following:

- (1) Planting of perennial garden plants and small fruits not in excess of those necessary for domestic use.
- (2) Constructing and repairing temporary fences.
- (3) Planting and maintaining temporary pastures.
- (4) Spreading barnyard manure upon the farm whenever such manure is produced from feedstuff either bought by or belonging to the tenant.
- (5) Applying commercial fertilizer and lime to the extent and in such manner that its benefit to the land extends beyond the period of the lease.
- (6) Adding minor fixtures and equipment to the farmstead.

It probably would be well to further restrict the improvements which the tenant may make by providing that the amount of compensation claimable cannot exceed a specific percentage of the rents paid during the tenancy, or by limiting the improvements to those not exceeding a stipulated value. It seems that the first procedure is preferable since it is more definite and it is related directly to the income-producing capacity of the farm. The disadvantage of the second procedure is that it may unduly limit the amount that can be spent on an important improvement but at the same time permits the making of a series of small improvements the total value of which may be excessive. In any event, the total amount claimable should be limited through some device so that the immediate financial outlay of the landlord will not prove burdensome.

The principle to be used in determining the unexhausted value of the improvement should be set forth in the statute. Probably the compensation claimable should be the value of the improvement to a typical incoming tenant. Thus, the improvement would have to be adapted to the particular farm and to general farming practices in the community, and it would have to represent a useful addition to the farm. If it were an improvement to the farm home or garden, the enhancement of the well-being of the tenant family would be given consideration. If it were related to the production capacity of the farm, the increase in the income to the new tenant would be given consideration.

### **Deterioration and Waste**

There is no statute in Oklahoma dealing comprehensively with the matter of deterioration and waste. The habitable dwelling statute discussed above provides that the tenant must repair any damages to the property caused by his ordinary negligence. Another statute provides that injury to or the cutting of trees on rented property constitutes waste, and that the owner may recover damages equal to a sum three times the actual loss incurred. No cases have been found in the Supreme Court Reports indicating that an agricultural landlord has sued his tenant for committing damages or waste.

According to individuals interviewed in all parts of the State, very little effort seems to have been made by landlords to prevent tenants from farming exploitatively and in preventing deterioration and injury to buildings. In fact, it is reported that many landlords have insisted upon using the land to the limit of its productive capacity without regard to such conservational practices as crop rotation, contour plowing, planting soil-building crops, and returning crop residue to the land. A great number of landlords in the central portion of the State, who are not interested in their land from the standpoint of farm income but who are interested in their land for its potential oil value, are not concerned at all as to the manner in which the land is farmed.

# **Preventing Deterioration and Waste**

In light of our new consciousness regarding the conservation of natural resources, and of the conservation programs instituted by both Federal and State Governments, it seems desirable that a new statute be enacted providing that at the end of the lease the outgoing tenant shall compensate the landlord for any deterioration or damage either committed or permitted by him during the term of the lease. This statute would be complementary to the soil conservation programs and would go a long way in making tenant operators farm their land in a more conservational manner. In addition to requiring that the tenant compensate the landlord for deterioration and waste, this statute should also provide for the offsetting of any compensation claimable for deterioration against compensation claimable for improvements. The tenant should not be permitted to remove any fixtures or improvements from the property until he has satisfied the claim that the landlord may have against him for deterioration and waste.

In arriving at the amount of damage due the landlord, the same principle should be used as that used in arriving at the amount of compensation due the tenant for improvements, that is, the decrease in the value of the farm to an incoming tenant owing to the deterioration or damage committed by the outgoing tenant. The statute should be comprehensive and include all possible deterioration or damage to the rented property. The exact terms of such a statute would have to be carefully worked out after consideration of all the information available. The following items, however, illustrate practices which might in most cases be considered deterioration and waste and for which the landlord might claim compensation:

- (1) Plowing up permanent pastures.
- (2) Failure to maintain erosion control devices.
- (3) Permitting the land to become infested with noxious weeds.
- (4) Negligent or improper use of the dwelling, barns, and fences.
- (5) Improper care of gardens and orchards.
- (6) Removal of trees, earth, sand, or minerals without permission.
- (7) Following a more intensive cropping system than that provided in the contract or which is customary in the community.

To summarize, it is the opinion of the authors, in the light of information gained from their interviews and from their study of the tenancy laws of other states, that the present situation of Oklahoma landlords and tenants with reference to improving the farm and conserving the land would be adjusted advantageously by:

- (1) Expanding the present habitable dwelling statute to require that the landlord place all of the property in proper condition for the use for which it was rented.
- (2) Permitting the tenant to remove at the termination of the lease any fixtures which he may have added to the property.
- (3) Providing for compensation to the tenant for a specified list of improvements which he may make and leave upon the property.

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(4) Requiring that the tenant compensate the landlord for any deterioration or damage which he may have committed.

In enacting legislation covering these phases of the problem, it is necessary to coordinate and unify the several statutes. In other words, it appears impossible to hold the tenant responsible for deterioration if he is not at the same time afforded a means of securing compensation for any improvements which he may make. Likewise, the landlord should not be expected to compensate the tenant for improvements if he is not assured by statute that the tenant will not deteriorate or damage the property. Furthermore, the tenant should be permitted to remove any fixtures which he may add only after he has reimbursed the landlord for any deterioration. This distribution of rights and duties is to the mutual advantage of both parties. Not only landlords and tenants, but the community as a whole, is concerned with maintaining and improving the agricultural land in the State, since it is the products of this land that the landlord and tenant share in their mutual endeavor, and any effective procedure in this regard is mutually advantageous to landlords, tenants, and society.

# ESTABLISHING EQUITABLE RENTAL RATES

Recently it was estimated that about 85 percent of the tenants in Oklahoma were operating under a one-third and one-fourth crop share agreement, paying one-fourth of the cotton and one-third of the other crops as rent.<sup>20</sup> Many of these tenants pay an additional cash rent, sometimes termed "bonus" or "privilege" rent.<sup>30</sup> This practice has become increasingly prevalent during the last five years. Some observers have attributed it to tractor farming, resulting in a surplus of tenants and causing a premium to be placed upon farms. Others have said that the acreage reduction program has caused many tenants to be displaced owing to the decrease in the demand for labor. Still others believe that additional and higher type improvements justify an increase over the customary rent. Regardless of the reason, tenant farmers are being required to pay a higher proportion of their earnings as rent than they had to pay formerly. They have been meeting this additional outlay either by farming the land more exploitatively or by reducing their standard of living. In some cases the additional cash rent has been so large that tenant farmers have had to exploit both their land and their families to meet the additional rent. This problem has become so acute that the State will likely give consideration to a means of determining what amount of rent is fair and equitable, and of providing for some type of control which will eliminate unfair rentals.

Owing to keen competition among urban tenants for homes in several large cities during the first World War, fair rent commissions were established to determine what rents were fair and equitable. It was provided by law that rents higher than those established by the commissions could not be collected. Texas gave consideration to the problem of establishing fair

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<sup>&</sup>lt;sup>29</sup> See footnote 9, supra.

<sup>&</sup>lt;sup>30</sup> See footnote 6, supra.

agricultural rents as early as 1915. The Texas legislature provided in 1915 that the landlord could collect from the tenant only one-fourth of the cotton and one-third of the grains when he merely furnished the land, while he could collect only one-half of the crops if he furnished everything but the labor.<sup>31</sup> The statute further specified that the landlord's lien for rent would be cancelled if he attempted to collect more than the maximum rent, and for any amount charged over the maximum the tenant could recover a double amount.

This Act was declared unconstitutional in 1929.<sup>32</sup> The Texas Supreme Court held that it violated the due process clauses of the State and Federal Constitutions, citing several United States Supreme Court cases. The Texas court felt that the fixing of agricultural rent was not of such public interest as to permit the validation of the statute. However, in 1931 the legislature re-enacted that part of the old statute providing that the landlord should have no lien for rent or supplies when he charged rent in excess of the amounts specified in the previous statute.<sup>33</sup>

The foregoing represent two procedures which the Oklahoma legislature could use in an endeavor to adjust the amount of rent to the productive capacity of the land. Another procedure for bringing about the same situation would be the establishment of rent commissions similar to those established in cities during the first World War or similar to the procedure which is used in Scotland in determining fair and equitable rentals.<sup>34</sup>

The Oklahoma landlord has a lien which extends to the crops produced upon the farm, whether for pasture, feed, or marketing, for the current year only. The tenant's personal property is exempt from this lien. In several States the landlord has a statutory lien not only upon the crops and livestock produced on the farm but also upon much of the personal property of the tenant. In addition to the statutory lien, the landlord in Oklahoma quite frequently has a provision in the lease which gives him a lien upon all of the personal property of the tenant, including that exempt from execution. There are some States which do not give the landlord a statutory lien for his rent, leaving him in the same position in his collection of rent as creditors are in their collection of debts.

Even though the Oklahoma landlord's lien apparently meets current leasing requirements more adequately than do landlord liens in other States, some of the individuals interviewed suggested that in its application to rentals paid in cash it should be limited during emergencies such as a serious crop failure or a sudden fall of prices. The enactment of a statute of this nature would not affect the crop-share lease, since landlords would collect whatever rent tenants agreed to pay. The effect of such a statute

<sup>&</sup>lt;sup>31</sup> Texas Acts, 1915, p. 77, Texas Statutes 1928, Art. 5222.

<sup>32</sup> Culberson v. Ashford, 118 Tex. 491, 18 S. W. (2) 585 (1929).

<sup>&</sup>lt;sup>33</sup> Texas Acts, 1931, c. 100, sec. 1, p. 171, Vernon's Texas Statutes 1936, Art. 5222.

<sup>&</sup>lt;sup>34</sup> Marshall Harris, "Agricultural Landlord-Tenant Relations in England and Wales." Land Use Planning Publication 4a., Resettlement Administration, Washington, D. C. 1936 (Mimeographed.)

would be to place the cash renter in the same position as a crop-share renter whenever there is a crop failure or sudden decline in prices of farm products.

If the legislature should decide to enact such a statute, it might provide that where a tenant is to pay a stipulated cash rent and there is a serious crop failure resulting from drought, flood, heat, hail, storm, or other climatic conditions, or from the infestation of pests, or by a sudden fall in prices, which would cause the tenant to have to pay a cash rental exceeding an amount equal to the customary crop rent in that locality, taking into consideration the contributions of the respective parties, the landlord should be permitted to collect an amount equivalent only to such customary crop rent. Such a statute, to be mutually fair to landlord and tenant, should also provide that the cash rent would be increased if production conditions were exceptionally good or if prices rose above the predetermined normal just the same as the cash rental would be decreased if production and price conditions were substantially below normal. Leases containing provisions of this nature have been upheld by the courts in Iowa.

# ARBITRATING DIFFERENCES BETWEEN LANDLORDS AND TENANTS

Many of the differences that arise between landlords and tenants involve small matters or claims. Court costs and lawyers' fees in many instances exceed the amount of the claim. In addition, a considerable amount of time is consumed as a result of court procedures and delays in bringing the case to trial. A pointed illustration is the ousting of a tenant under the forcible entry and detainer action discussed above. Moreover, it is only natural that a majority of farmers should hesitate to take matters involving small claims to court, while they apparently would be willing to settle the misunderstanding if a method of arbitration were available.

Many precedents for arbitration have been established in the field of employer-employee relations. The Oklahoma Constitution provides for the creation by the legislature of a Board of Arbitration and Conciliation in the Department of Labor. This Board has been established. The functions of the Board so far have been limited to the field of industrial labor. Parties taking advantage of this method in settling their differences have done so voluntarily, as the statute is not mandatory. In fact, the courts in Oklahoma as in most States have held that statutes forcing parties to arbitrate against their will are unconstitutional.

The Oklahoma Supreme Court in 1915 decided that an agreement to submit a dispute to arbitration was not binding.<sup>35</sup> The court justified this decision in light of the common law, concluding that since the parties would use the court procedure to enforce the agreement it would be unnecessary to arbitrate the matter inasmuch as the case would be completely settled while in court. In a later case, with almost identical facts, the court felt "after more

<sup>&</sup>lt;sup>85</sup> Voris v. Gage, 46 Okla. 748, 149 P. 150 (1915).

mature deliberation" that the above opinion was unsound in principle and should be overruled.<sup>30</sup> It was announced that the parties might agree by a provision in their contract to pursue a certain course or remedy as "exclusive of the ordinary remedies where it fairly appears to have been the intention of the parties."

The legislature in 1937, in creating the Farm Landlord and Tenant Department, provided for the consideration of arbitration as a method for settling disputes between landlords and tenants. In carrying out this work it was discovered that occasionally landlords and tenants have provisions in their leases for arbitration. Usually it is provided that the decision of the arbitration committee is final. The most common procedure outlined is one whereby the tenant can select one arbitrator, the landlord another, and these two arbitrators can select a third. Most landlords and tenants, however, do not expect or foresee difficulties in their relationship, and provisions for arbitration are not included in their leases.

It is therefore suggested that a method of arbitrating differences between agricultural landlords and tenants be outlined in a statute. This statute may well be similar in many respects to the statute providing for the arbitration of disputes between employers and employees. It should outline in some detail the method for selecting a board of arbitration in each county, and designate the subject matter which the boards might consider. Competent men could be found in various counties who would be willing to devote some time each month to this work without expecting to be compensated for their services. These arbitrators would soon become well qualified in settling differences to the mutual satisfaction of the two parties. They would find it possible to give considerable attention to the economic and social aspects of the problem, being guided by complete and concise statutes outlining the duties and responsibilities of the two parties.

The possibility of the county Farm Debt Adjustment Committees assuming the responsibility for arbitrating the disputes between landlords and tenants might be considered. These committees have proved highly successful in helping creditors and debtors adjust debts.

# REVISING, EXPANDING, AND CODIFYING LANDLORD-TENANT LAW

In the preceding pages it has been shown that in certain particulars Oklahoma landlord and tenant law is:

- (1) Vague and difficult to understand;
- (2) Slow and cumbersome in its operation and often works hardships upon one or both of the parties;
- (3) Inapplicable to present conditions; or
- (4) Incomplete and does not cover items which are of significant importance.

<sup>&</sup>lt;sup>26</sup> Voris v. Hall, 71 Okla. 44, 175 P. 220 (1918).

The difficulty of distinguishing between a tenancy and a sharecropping agreement illustrates the vagueness of the present laws. Many lawyers and others with legal training and experience stress the shortcomings of the present law in this regard. The slowness with which the law operates and the hardships encountered by landlords and tenants are illustrated by the conventional procedure under forcible entry and detainer actions. The statute discriminating against agricultural tenants in regard to removing fixtures erected by them indicates clearly that the present law is not applicable to current agricultural renting conditions. The brief statute on waste which covers only damages to trees is illustrative of the incompleteness with which the present statutes cover important landlord and tenant relationships.

Several possible ways of adjusting these shortcomings have already been discussed. In addition to these adjustments it appears that the renting of agricultural land is sufficiently different from the renting of urban property so that the two should be regulated by separate and distinct statutes. An agricultural lease is concerned primarily with the renting of land. The proper use of the land, as influenced by the security with which the tenant holds the property and the rights and duties which he has in the property, not only affects the farm tenant but influences significantly the manner in which the agricultural resources of the State are maintained. On the other hand, the dwelling is of primary importance to the urban tenant, while the land is relatively incidental. Ordinarily an urban tenant may move frequently and easily without seriously disturbing his means of livelihood, while the rural tenant's source of income is the property which he rents.

With reference to maintenance, the city dwelling may be repaired or rebuilt if not properly maintained by the tenant. By way of contrast, it is difficult, if not impossible, to replace soil resources. When they are depleted, the future welfare of the State has been seriously handicapped. Therefore, it appears that agricultural landlord and tenant relationships should be governed by laws applicable specifically to agricultural conditions and should be separate from laws governing urban landlord and tenant conditions.

Court decisions with reference to relationships not governed by statute or those incompletely covered by the statutes have developed principles controlling landlord and tenant relationships which should become a part of the statutory law. In some instances where the relationships are governed by statutes, recent court decisions have interpreted and amplified the original statutes. In some of these relationships it would be well to incorporate the interpretation and amplification of the court in a new and more comprehensive statute. Thus, it appears that the landlord and tenant law of the State, which is at present both in the form of statutes and in the form of court decisions, should be codified and revised so that the two parties would know their exact position. In codifying and revising the present law, new statutes should be phrased as simply, clearly, and concisely as possible in order that not only lawyers and judges will be able to understand them, but also that landlords and tenants will understand them.

In codifying and revising the present law governing landlord and tenant relationships, care should be taken that the law establishes constructive cooperative relationships which are mutually advantageous to the two parties. Of course, the interest of the State in preventing soil exploitation and in maintaining stable rural communities should be the paramount consideration. An endeavor should be made to incorporate only those procedures which have proved advantageous in actual operation, as indicated by the experience of the better landlords and tenants in the State. If this be done, the new laws will not directly influence present relationships between the better landlords and tenants in the State, since they are already meeting desirable standards. The new laws, however, will affect directly those landlords and tenants who are not at present meeting minimum standards. As is the case with other laws, those who are most directly affected and those who find that the law imposes distasteful restrictions are virtually always those who are not willing to maintain the minimum standards society has prescribed in an endeavor to perpetuate itself and to promote the general welfare.

# SUMMARY

A number of the laws of the State governing landlord and tenant relationships are vague and difficult to understand, while some are inapplicable to present conditions. Still others are incomplete, and in some instances relationships of sgnificant importance are not covered. The operation of many of the laws is slow and cumbersome.

There is no statute in the State distinguishing a tenant from a sharecropper. It is thus difficult, if not impossible, for landlords and their renters to know whether a tenancy or sharecropping agreement has been made. It is fundamentally important to the farm operator to know whether he has a lease on the land and the relationship is between landlord and tenant, or whether he has a sharecropping agreement and is thus a farm laborer receiving a share of the crops as wages. This situation might be easily clarified by the enactment of a statute. Should such action be favored, at least two procedures are possible: one, a statute providing that all persons operating land on a crop-share basis shall be tenants; the other, recognizing the continued existence of sharecroping as an employeremployee relationship while at the same time improving this relationship in such manner as appears desirable.

Probably the most fundamental defect in the tenancy system is that which results in the insecurity and the instability of tenant farmers who move from farm to farm year after year. The present landlord and tenant law of the State contributes to this intolerable situation while proper statutory action offers a ready avenue for controlling landlord and tenant relationships in such a manner as to increase security and stability. The present situation may be attributed, among other things, to (1) one-year oral leases, (2) short-term written leases, (3) types of tenancies created by statute, (4) tenants holding over under either an oral or a written lease, and (5) methods for terminating leases and evicting tenants. Many farmers of the State suggest that this situation might be remedied through statutory action by requiring that all agricultural leases be written, that they be for a long term of years, or that they be for one year and automatically continued unless a long-time notice of termination is given. A further method for increasing security and stability, which has been tried in other States and foreign countries, is that of requiring all agricultural leases to continue from year to year, permitting either party to terminate the lease either for good cause by giving a long period of notice to move or of intention to move, usually six months in advance, or without good cause by compensating the other party for any damage or loss experienced.

From Census data and general observations it appears that tenant farms in most parts of the State are not improved and maintained as adequately as owner operated farms. As was true with insecurity and instability, this situation may be due either to present law governing landlordtenant reationship or to the absence of proper control of landlord and tenant relationships in instances where statutes might prove effective. A State statute discriminates against the agricultural tenant by requiring that he leave on the farm at the termination of the lease all fixtures which he may have erected. This situation might be remedied by amending the present statute to provide for the removal at the termination of the lease of any fixtures which are physically removable. However, there is no statutory provision for reimbursing a tenant for the value of any unexhausted improvements which he makes and which remain on the farm at the termination of the lease. Should a statute of this type be enacted, it no doubt should specify definitely the improvements which the tenant could make, and it should be drawn in such manner as to adequately protect the interests of both the landlord and the tenant. Present tenancy statutes do not adequately protect the landlord's property against deterioration and waste which may be committed or permitted by the tenant. In this regard, consideration should be given to the enactment of a comprehensive statute providing that the tenant shall reimburse the landlord for any deterioration which may occur to the property due to the negligence or carelessness of the tenant.

Farmers and agricultural workers have reported in personal interviews that there has recently been an increasing practice of charging cash bonus or privilege rent in addition to the traditional share rent. Further investigation is suggested to determine whether this practice is justified. Giving the landlord a statutory lien to aid him in collecting rent only in the event he does not charge rents in addition to those established by law, has been suggested as a possibility. This has been done in Texas. Another possibility is establishment of fair rent commissions similar to those established in some of the larger cities during the first World War. In addition to limiting the landlord's lien to those cases where a fair rent is charged, it might be well to consider the advisability of limiting the landlord's lien for the collection of rent when production conditions or prices of agricultural products have changed significantly subsequent to the beginning of the leasing agreement.

Many of the differences that arise between landlords and tenants involve small matters or claims. The court costs and lawyers' fees required to prosecute these cases in many instances exceed the amount of the claim. Furthermore, a considerable amount of time is consumed as a result of the court procedures and delays in bringing these cases to trial. For remedying this situation it has been suggested that a method of arbitration be established. Competent men could be found in the various counties who no doubt would be willing to devote some time to this type of work without expecting to be paid for their services.

Many of the landlord-tenant statutes were apparently enacted with urban rather than rural conditions in mind. The social and economic differences between the renting of urban and rural property justify separate laws.

The vagueness, slowness, or lack of landlord-tenant law in certain particulars emphasize the need for revision, expansion, and codification of this field of law.

# APPENDIX A

# **Table of Oklahoma Statutes**

#### **Tenancy at Will**

Any person in the possession of real property, with the assent of the owner, is presumed to be a tenant at will, unless the contrary is shown, except as herein otherwise provided. Title 41, sec.  $1.^3$ 

When premises are let for one or more years, and the tenant, with the assent of the landlord, continues to occupy the premises after the expiration of the term, such tenant shall be deemed to be a tenant at will; provided, that no lease or rental contract of premises shall be continued, unless the original contract was in writing, and all other lease or contracts shall expire by limitation with the calendar year, without notice. Ibid., sec. 2.

#### Tenancy from Year to Year

When premises are let for one or more years, and the tenant, with the assent of the landlord, continues to occupy the premises after expiration of the term, such tenant shall be deemed to be a tenant from year to year. Rev. Laws 1910, sec. 3784. (Repealed in 1911.)

#### **Termination of Tenancies**

When the time for the termination of a tenancy is specified in the contract, or where a tenant at will commits waste, or in the case of a tenant by sufferance, and in any case where the relation of landlord and tenant does not exist no notice to quit shall be necessary. Title 41, sec. 8.

Thirty days' notice in writing is necessary to be given by either party before he can terminate a tenancy at will. .... Ibid., sec. 4.

All tenancies from year to year, may be determined by at least three months notice, in writing, given to the tenant prior to the expiration of the year. Ibid., sec. 5.

### Forcible Entry and Detainer

In addition to the jurisdiction conferred by the constitution and other laws of this State, justices of the peace shall have original jurisdiction to try all actions for the forcible entry and detention, or detention only, of real property; provided that an action for the collection of rent or rents due may be included in the same suit for possession when the amount or amounts claimed do not exceed the sum of Two Hundred (\$200) Dollars. Title 39, sec. 391.

Proceedings under this article may be had in all cases against tenants holding over their terms; . . . and in cases where the defendant is a settler or occupier of lands and tenements without color of title, and to which the complainant has the right of possession. This section is not to be construed as limiting the provisions of the first preceding section. Ibid., sec. 393.

# Tenant's Liability When Holding Property Without Authority

For the failure of a tenant to give up the premises held by him, when he has given notice of his intention to do so, the measure of damages is double the rent which he ought otherwise to pay. Title 23, sec. 69.

<sup>&</sup>lt;sup>1</sup> All references unless otherwise noted are to Oklahoma Statutes Annotated.

For wilfully holding over real property, by a tenant after the end of his term, and after notice to quit has been duly given, and demand of possession made, the measure of damages is double the yearly value of the property, for the time of withholding, in addition to compensation for the detriment occasioned thereby. Ibid., sec. 70.

#### Fixtures

A thing is deemed to be affixed to land when it is attached to it by roots, as in the case of trees, vines or shrubs, or imbedded in it, as in the case of walls, or permanently resting upon it, as in the case of buildings, or permanently attached to what is thus permanent, as by means of cement, plaster, nails, bolts or screws. Title 60, sec. 7.

#### **Repairs and Improvements**

The lessor of a building intended for the occupation of human beings must, in the absence of an agreement to the contrary, put it into a condition fit for such occupation, and repair all subsequent dilapidations thereof, except that the lessee must repair all deteriorations or injuries thereto occasioned by his ordinary negligence. Title 41, sec. 31.

If within a reasonable time after notice to the lessor of dilapidations which he ought to repair, he neglects to do so, the lessee may repair the same himself, and deduct the expense of such repairs from the rent, or otherwise recover it from the lessor; or the lessee may vacate the premises, in which case he shall be discharged from further payment of rent, or performance of other conditions. Ibid., sec. 32.

#### Waste

For wrongful injuries to timber, trees or underwood upon the land of another, or removal thereof, the measure of damages is three times such a sum as would compensate for the actual detriment, except where the trespass was casual and involuntary, or committed under the belief that the land belonged to the trespasser, or where the wood was taken by the authority of highway officers for the purposes of a highway, in which case the damages are a sum equal to the actual detriment. Title 23, sec. 72.

#### Landlord's Lien for Rent

Any rent due for farming land shall be a lien on the crop growing or made on the premises. Such lien may be enforced by action and attachment therein, as hereinafter provided. Title 41, sec. 23.

When any such rent is payable in a share or certain proportion of the crop, the lessor shall be deemed the owner of such share or proportion, and may if the tenant refuse to deliver him such share or proportion, enter upon the land and take possession of the same, or obtain possession thereof by action of replevin. Ibid., sec. 24.

Any person who shall remove any crops from leased or rented premises with intent to deprive the owner or landlord interested in said land of any of the rent due from said land, or who shall fraudulently appropriate the rent due the owner or landlord of said land, to himself or any person not entitled thereto, shall be deemed guilty of embezzlement and punished accordingly. Ibid., sec. 25.

The person entitled to rent may recover from the purchaser of the crop, or any part thereof, with notice of the lien, the value of the crop purchased, to the extent of the rent due and damages. Ibid., sec. 26.

When any person who shall be liable to pay rent (whether the same be due or not, if it be due within one year thereafter, and whether the same be payable in money or other things), intends to remove or is removing, or has, within thirty days, removed his property, or his crops, or any part thereof, from the leased premises, the person to whom the rent is owing may commence an action; and upon making an affidavit, stating the amount of rent for which such person is liable, and one or more of the above facts, and executing an undertaking as in other cases, an attachment shall issue in the same manner and with the like effect as is provided by law in other actions. Ibid., sec. 27.

In an action to enforce a lien on crops for rent of farming lands, the affidavit for attachment shall state that there is due from the defendant to the plaintiff a certain sum, naming it, for rent of farming lands, describing the same, and that the plaintiff claims a lien on the crop made on such land. Upon making and filing such affidavit and executing an undertaking as prescribed in the preceding section, an order of attachment shall issue as in other cases, and shall be levied on such crop, or so much thereof as may be necessary; and all other proceedings in such attachment shall be the same as in other actions. Ibid., sec. 28.

#### Laborer's or Sharecropper's Lien

Laborers who perform work and labor for any person under a verbal or written contract, if unpaid for the same, shall have a lien on the production of their labor, for such work and labor; provided, that such lien shall attach only while the title to the property remains in the original owner. Title 42, sec. 92.

#### **Public Lands**

(1) Subject to lease. All the public lands of this State shall be subject to lease in the manner provided herein. The Commissioners of the Land Office shall have charge of the leasing of such lands. Title 64, sec. 241.

(2) Forefeiture of lease and sale of improvements. If the lessee of any of the lands enumerated herein shall be in default of the annual rental due the State for a period of six months, the Commissioners of the Land Office shall within ninety (90) days after such delinquency, cause notice to be given such delinquent lessee, and person in possession of the lands, that if such delinquency is not paid within thirty days from the service of such notice, his lease will be declared forfeited to the State by the Commissioners of the Land Office. If the amounts due are not paid within thirty (30) days from the date of the service of such notice, the said lease shall be declared forfeited and the possession of the land therein described shall revert to the State, the same as though such lease had never been made. The order making such forfeiture shall be spread upon the records of the Commissioners of the Land Office. The service of the notice herein provided shall be made by registered mail; in case the post office address of the owner of such lease be unknown, the notice herein provided shall be served upon the person in possession and shall be published in two consecutive issues of some weekly newspaper published in or of general circulation in the county where the land is situated. The forfeiture shall be entered by said board after thirty (30) days from the date of the first publication or registered notice; provided, the lessee of any land so forfeited may redeem the same within thirty (30) days after the first notice to him, his agent or sub-lessee, by paying all delinquencies, fees and costs of forfeiture at any time before the expiration of thirty (30) days, as aforesaid, and as provided by this article; provided, further, the Commissioners of the Land Office are required to serve notice of delinquencies and proceed with forfeiture as stated herein, at least once each year.

The improvements on lands so reverting to the State shall be sold under the direction of the Commissioners of the Land Office, at public sale, after appraisement, upon due notice to the lessee, and sub-lessee, and the proceeds received therefrom shall inure to the holder of the delinquent lease after paying to the State all delinquencies and rents and expenses incurred in making such sale; provided, further, the Secretary to the Commissioners of the Land Office is hereby authorized at all such sales of the improvements on lands so reverting to the State, in case there are no other bidders to bid off such improvements offered at sale at a reasonable figure, in the name of the State for the benefit of the fund to which said lands so reverting to the State belong, the State acquiring all the rights, both legal and equitable, that any other purchaser could acquire by reason of said purchase.

If the lessee of any tract, block or parcel of State school or other public lands shall fail, neglect or refuse, for a period of fifteen (15) days, to enter into a renewal lease and execute the notes for the annual rentals as provided by law, at the expiration of any agricultural lease after any appraisement for rental purposes has been approved by the Commissioners of the Land Office, the Commissioners of the Land Office shall cause notice to be given to such agricultural lessee that if such agricultural lease and notes for the annual rentals are not executed and delivered within ten (10) days from the service of such notice, his preference right to re-lease will be de-clared forfeited to the State by the Commissioners of the Land Office. If said agricultural lessee shall fail, neglect or refuse to enter into a renewal lease and execute the rental notes as provided by law, within ten (10) days of the date of service of such notice, the said agricultural lessee's preference right to re-lease shall be declared forfeited and the and therein described shall revert to the State, the same as though no such lease had ever been made. Provided, however, the lessee may appeal to the district court of the county within ten (10) days, by making bond in double the amount of the appraised value of the lease, and provided, however, that if the agricultural lessee shall appeal from the order of the Commissioners of the Land Office approving the appraisement for rental purposes, to the district court of the county in which the land is so located, then no action shall be taken by the said district court, until after ten (10) days from the date the order of the district court fixing the amount of said appraisement shall become final. The order making such forfeiture shall be spread upon the records of the Commissioners of the Land Office. The improvements on land so reverting to the State shall be sold under the direction of the Commissioners of the Land Office, at public sale, upon ten (10) days notice to the lessee; and the proceeds received therefrom shall inure to the owner of said improvements after payment shall have been made to the State for all rentals at the rental fixed by law, and all costs for the time said lands are withheld from the State, together with the expenses incurred in the making of such sale. The service of the notice herein provided, the time of entering said order of forfeiture, and the right of the preference right lessee to redeem, shall be as provided herein.

That in all cases where improvements on ands reverting to the State under Sections 1 and 2, of this Act, and are bid off by the Secretary of the Commissioners of the Land Office for the amount of delinquent rentals, interest and costs of forfeiture due and payable thereon, shall revert to the proper funds and the Commissioners of the Land Office may sell the improvements, on any tract of such lands at public auction. Provided, however, that before any such sale be made, the Commissioners of the Land Office shall cause legal notice to be published for two consecutive weeks prior to the date of said sale, in the county in which said lands are located. The proceeds from such sales shall be credited to the earnings of the fund to which said lands belonged. Ibid., sec. 244.

(3) Removal of crops and improvements. Any lessee may, at the termination of his lease, remove any or all of his improvements, and he shall have the right to harvest or remove any growing crop thereon: Provided, however, that in case the lessee is in default for nonpayment of any rental or assessment of any nature, he shall not be allowed to remove such improvement or make such entry to secure crops until all arrearage is fully satisfied; said improvements, that are movable, shall then be moved immediately within sixty days from termination of his lease. Ibid., sec. 249.

(4) Sub-leases. Any lessee who is a resident of the State of Oklahoma, may sub-lease the land upon which he has a lease, for a period of not more than one year: Provided, that before any lessee shall be permitted to sub-let any of such land, he shall make application to the Commissioners of the Land Office for a permit; and it shall be the duty of said Commissioners to issue such permit, if the said lessee is not delinquent in the payment of rental or other assessments due, and payable. The Commissioners of the Land Office shall charge and collect for the issuing of such permits the fee of one dollar. Ibid., sec. 253.

#### Arbitration

Every stipulation or condition in a contract, by which any party thereto is restricted from enforcing his rights under the contract by the usual legal proceedings in the ordinary tribunals, or which limits the time within which he may thus enforce his rights, is void. Title 15, sec. 216.

# APPENDIX B

# **Table of Cases**

#### Effect of the Common Law

Oklahoma City v. District Court, 168 Okl. 235, 32 P. (2d) 318 (1934) McKennon v. Winn, 1 Okl. 327, 33 P. 582, 22 L. R. A. 501 (1893)

### Distinguishing Between Tenant and Sharecropper

Gvosdanovic v. Harris, 38 Okl. 787, 134 P. 28 (1913) Yeldell v. Hines, 73 Okl. 1, 174 P. 229 (1918) Halsell v. First National Bank, 109 Okl. 220, 235 P. 532 (1925) Jackson v. Bowlin, 111 Okl. 299, 239 P. 637 (1925) Comar Oil Co. v. Richter, 127 Okl. 153, 260 P. 60 (1927) Empire Gas and Fuel Co. v. Denning, 128 Okl. 145, 261 P. 929 (1927) Moore v. Linn, 19 Okl. 279, 91 P. 910 (1907) First National Bank v. Rogers, 24 Okl. 357, 103 P. 582 (1909) Chickasha Gas & Electric Co. v. Linn, 80 Okl. 233, 195 P. 769 (1921) Taylor v. Riggins, 129 Okl. 57, 263 P. 146 (1928)

#### **Tenancy at Will**

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Hancock v. Maurer, 103 Okl. 196, 229 P. 611 (1924)

Jacobson v. Knee, 103 Okl. 253, 229 P. 814 (1924)

Turner v. Bishop, 181 Okl. 61, 71 P. (2d) 1088 (1937)

Tipton v. North, 89 Okl. App. Ct. Rep. 349, 185 Okl. 365, 92 P. (2) 364 (1939)

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# **Termination of Leases**

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Harley v. McCasland, 162 Okl. 117, 19 P. (2d) 356 (1933)
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Westheimer v. Sterling, 123 Okl. 7, 251 P. 738 (1926)
Parsons v. Root, 122 Okl. 25, 250 P. 503 (1926)
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Tate v. Gaines, 25 Okl. 141, 105 P. 193, 26 L. R. A. (N. S.) 106 (1909); 24 Cyc. 1031
Guffey v. Pollan, 73 Okl. 219, 175 P. 817 (1918)
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#### **Forcible Entry and Detainer**

Huls v. Winston, 135 Okl. 83, 274 P. 26 (1929) Fuss v. Anderson, 95 Okl. 2, 217 P. 436 (1923) McKimmey v. Mowatt, 51 Okl. 411, 151 P. 1175 (1915) Coddington v. Andrews, 179 Okl. 63, 64 P. (2d) 666 (1937) Chisholm v. Weise, 5 Okl. 217, 47 P. 1086 (1897) Casey v. Kitchens, 66 Okl. 169, 168 P. 812, L. R. A. 1918B, 667 (1917) Frantz v. Saylor, 12 Okl. 282, 71 P. 217 (1902) Douglas v. Cutlip, 118 Okl. 21, 246 P. 392 (1926) Montgomery v. Hill, 80 Okl. 230, 195 P. 897 (1921) Brown v. Mayhall, 63 Okl. 268, 164 P. 973 (1917) Howard v. Davis, 40 Okl. 86, 136 P. 401 (1913) McHenry v. Gregory, 57 Okl. 435, 156 P. 1158 (1916) Bledsoe v. Peters, 98 Okl. 41, 224 P. 288 (1924) Stephens v. Sheldon, 109 Okl. 150, 234 P. 725 (1924) New v. Collins, 21 Okl. 430, 96 P. 607 (1908) Nichols v. Rennie, 117 Okl. 155, 245 P. 593 (1926) Boyle v. Montague, 173 Okl. 402, 48 P. (2d) 1037 (1935) Johnson v. Connaway, 184 Okl. 516, 88 P. (2d) 338 (1939)

# **Damages for Tenant Holding Property Without Authority**

Endicott v. Fisher, 93 Okl. 31, 219 P. 378 (1923) Miller v. Gorman, 88 Okl. 229, 212 P. 983 (1923) Carter v. Barry, 154 Okl. 145, 7 P. (2d) 448 (1932) Carter v. Barry, 155 Okl. 161, 8 P. (2d) 50 (1932) Carter v. Barry, 155 Okl. 162, 8 P. (2d) 51 (1932) Marshall v. Burden, 25 Okl. 554, 106 P. 846 (1910) Anoatubby v. Pennington, 46 Okl. 221, 148 P. 828 (1915)

#### Fixtures

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#### Landlord's Lien for Rent

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#### Laborer's or Sharecropper's Lien

First National Bank v. Rogers, 24 Okl. 357, 103 P. 582 (1909) Pirtle v. Brown, 141 Okl. 227, 284 P. 898 (1930) Shefts Supply, Inc., v. Brady, 170 Okl. 590, 41 P. (2d) 820 (1935) Taylor v. Riggins, 129 Okl. 57, 263 P. 146 (1928) Elder v. Sturges, 173 Okl. 620, 49 P. (2d) 221 (1935) Halsell v. First National Bank, 109 Okl. 220, 235 P. 532 (1925)

#### **Public Land Leases**

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#### Arbitration

Voris v. Gage, 46 Okl. 748, 149 P. 150 (1915) Voris v. Hall, 71 Okl. 44, 175 P. 220 (1918) Midland Valley R. Co. v. Ezell, 29 Okl. 40, 116 P. 163 (1911)

# APPPENDIX C

# Attitude of Oklahoma Farmers Toward Improving Landlord-Tenant Relationships<sup>1</sup>

NOTE: The top line of figures opposite each question is the number answering or not answering the question, while the figures on the bottom line are the percentages.

0	GRAND TOTAL (1700)				DLORD( (475)	30	OWNER OPERATORS (500)				TENANTS (575)			OTHERS (150)		
Questions –	Yes	No	Un- ans.	Yes	No	Un- ans.	Yes	No	Un- ans.	Yes	No	Un- ans,	Yes	No	Un- ans.	
. Do written agreements or memoranda of under- standing help to avoid mis- understanding and dis- agreements?	1596 93.9	72 4.2	32 1.9	424 89.3	39 8.2	12 2.5	479 95.8	14 2.8	7 1.4	549 95.5	17 3.0	9 1.5	144 96.0	2 1.3	4 2.7	
. Would you favor the general adoption of a continuous or automatic annual renewable rental agreement?	1272 74.8	236 13.9	192 11.3	327 68.9	88 18.5	60 12.6	380 76.0	57 11.4	63 12.6	448 77.9	74 12.9	53 9.2	117 78.0	17 11.3	16 10.7	
. Would you favor the gen- eral adoption of a minimum period for notice of termi- nation and for an automatic continuation of the rental agreement from year to year if no such notice is served?	1310 77.0	193 11.4	197 11.6	<b>335</b> 70.5	85 17.9	55 11.6	379 75.8	50 10.0	71 14.2	475 82.6	48 8.3	52 9.1	121 80.6	10 6.7	19 12.7	
. Should long term leases be encouraged?	1528 89.9	130 7.6	42 2.5	369 77.7	80 16.8	26 5.5	461 92.2	30 6.0	9 1.8	557 96.9	13 2.3	5 0.8	141 94.0	7 4.7	2 1.3	

<sup>1</sup> "What Landowners and Tenants are Thinking," Extension Division, Oklahoma A. and M. College, 1938, pp. 4-5.

# APPENDIX C—(Continued)

NOTE: The top line of figures opposite each question is the number answering or not answering the question, while the figures on the bottom line are the percentages.

Questions	GRAND TOTAL (1700)				DLORD( (475)	3 0	OWNER OPERATORS (500)				TENANTS (575)			OTHERS (150)	
anestions -	Yes	No	Un- ans.	Yes	No	Un- ans.	Yes	No	Un- ans.	Yes	No	Un- ans.	Yes	No	Un- ans.
6. Would tenant operators take more interest in maintain- ing and improving owner's investment if they knew they were to be compensated for unexhausted value in land and improvements, should their agreement terminate?	1456 85.6	95 5.6	149 8.8	349 73.5	57 12.0	69 14.5	426 85.2	22 4.4	52 10.4	543 94.4	13 2.3	19 3.3	138 92.0	3 2.0	9 6.0
b. Should tenants be per- mitted to remove equipment they have placed on farms, such as, temporary fences, out-buildings, etc., upon termination of agreement?	1477 86.9	159 9.4	64 3.7	3 <b>6</b> 5 76.8	81 17.1	29 6.1	449 89.8	34 6.8	17 3.4	552 96.0	14 2.4	9 1.6	111 74.0	30 20.0	9 6.0
2. Should compensation be paid owners for damages wilfully committed or per- mitted by tenant?	1621 95.4	43 2.5	36 2.1	450 94.7	9 1.9	16 3.4	479 95.8	12 2.4	9 1.8	548 95.3	17 3.0	10 1.7	144 96.0	5 3.3	1 0.7
Would you recommend that when disagreements arise between owners and tenants, they should be settled by arbitration?	1498 88.1	127 7.5	75 4.4	401 84.4	55 11.6	19 4.0	449 89.8	30 6.0	21 4.2	515 89.6	34 5.9	26 4.5	133 88.7	8 5.3	9 6.0

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# APPENDIX D<sup>1</sup>

# **Recommendations of the President's Committee on Farm Tenancy**

Although the Federal Government can do much to improve conditions of tenant farmers, some of the most fruitful fields of endeavor are under the jurisdiction of State agencies. Much can be done to better the terms and conditions of leasing. Through regulation and education tenant-operators can be given greater security of tenure and opportunity to develop and improve their farms and participate in community activities.

It is recommended, therefore, that the several States give consideration to legislation which might well include provisions such as the following:

- (a) Agricultural leases shall be written;
- (b) all improvements made by the tenant and capable of removal shall be removable by him at the termination of the lease;
- (c) the landlord shall compensate the tenant for specified unexhausted improvements which he does not remove at the time of quitting the holding, provided that for certain types of improvements the prior consent of the landlord be obtained;
- (d) the tenant shall compensate the landlord for any deterioration or damage due to factors over which the tenant has control, and the landlord shall be empowered to prevent continuance of serious wastage;
- (e) adequate records shall be kept of outlays for which either party will claim compensation;
- (f) agricultural leases shall be terminable by either party only after due notice given at least 6 months in advance;
- (g) after the first year payment shall be made for inconvenience or loss sustained by the other party by reason of termination of the lease without due cause;
- (h) the landlord's lien shall be limited during emergencies such as a serious crop failure or sudden fall of prices where rental payments are not based upon a sliding scale;
- (i) renting a farm on which the dwelling does not meet certain minimum housing and sanitary standards shall be a misdemeanor, though such requirements should be extremely moderate and limited to things primarily connected with health and sanitation, such as sanitary outside toilets, screens, tight roofs, and other reasonable stipulations;
- (j) landlord and tenant differences shall be settled by local boards of arbitration, composed of reasonable representatives of both landlords and tenants, whose decisions shall be subject to court review when considerable sums of money or problems of legal interpretations are involved.

Leasing provisions are strongly governed by custom and frequently fail to become adjusted to changing systems of farming and farm practices. It is, therefore, recommended that State agencies, particularly the agricultural extension service, cooperating with State and local representatives of the Farm Security Administration, inaugurate vigorous programs to inform landlords and tenants concerning methods of improving farm leases; and that State agricultural experiment stations adequately support research work to adapt leases to various type-of-farming areas. Research is also needed on the technical application of compensation clauses.

<sup>&</sup>lt;sup>1</sup> "Farm Tenancy," Report of President's Committee, Washington, D. C., Febrfuary, 1937. pp. 17-18.

# APPENDIX E

# Alabama Statute Providing that All Farm Renters Shall Be Tenants

When one party furnishes the land and the other party furnishes the labor to cultivate it, with stipulations, express or implied, to divide the crop between them in certain proportions, the relation of landlord and tenant, with all its incidents and to all intents and purposes, shall be held to exist between them; and the portion of the crop to which the party furnishing the land is entitled shall be held and treated as the rent of the land; and this shall be true whether or not by express agreement or implication the party furnishing the land is to furnish all or a portion of the teams to cultivate it, all or a portion of the feed for the teams, all or a portion of the planting seed, all or a portion of the fertilizer to be used on the crop, or pay for putting in marketable condition his proportion of the crop after the same has been harvested by the tenant. (1915, p. 112, sec. 1; p. 134, sec. 1.) Sec. 8807, 1928 Alabama Code.

# APPENDIX F

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