The West Virginia Farmers Market Association sent out a Policy Climate Survey beginning in January 2017. Our hope in creating this survey would be to better understand how the current policy climate is effecting the agriculture industry in West Virginia. The following results are from that survey. All questions from the survey are written in bold type. *Note: All percentages are rounded and may not equal 100% in all cases.*

**Considering the STATE laws and regulations that affect your business, would you say there is the right amount of regulation, too little, or too much regulation?**

<table>
<thead>
<tr>
<th>Answer</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too Little</td>
<td>6%</td>
</tr>
<tr>
<td>Just Enough</td>
<td>32%</td>
</tr>
<tr>
<td>Too Much</td>
<td>56%</td>
</tr>
<tr>
<td>No Answer</td>
<td>6%</td>
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</table>
On a scale from 1 to 7 (1 being the most important 7 being the least important) please rank the following challenges you face with your business.

We have indicated below which percent of the population surveyed felt that each of these items were the “Most Important” factor facing their business.
From these results we can determine that 41% found the most important challenge that they face with their business is the workforce. While the least important challenge at 27% was the acquisition cost of property.

Some of those surveyed left comments as to what “other” items they believed to be important challenges for businesses in West Virginia. The following section is the comments that were made, mostly verbatim. Some spelling errors were corrected.
Other Reasons:

consumer education and market promotion

Interest in agriculture. In my part of Western Greenbrier county, the people do not understand not do they want to understand the importance of fresh vs store bought. There is even less interest in planted your own source of fresh vs store bought as most of the people are not educated, or just have no enthusiasm over any thing that requires work. The ethics is not there or they feel it is entitled to them. You do the work and give to them.

Ownership issues

I need support from our state agencies to UNDERSTAND the new FSMA regulations. I believe that they are very important to our supply of safe food, but they are so complex, hard to understand. When I ask WVDA and WVU Ex for help --- all they say is to wait. Waiting seems like the wrong thing to be doing.

re: regulation There's another answer other than too much or too little. It is also frequently a matter of 'right sized' regulation for the local farmer - frequently held to the same standards as factory farms. Local food by definition is usually small scale with small scale (frequently direct to consumer) marketing. Imo -local and regional regulations could vary if we got the will to look at it differently

Misuse of Senior Vouchers

Inconsistency in interpretation of existing regulations for value added products

Access to markets

State help in developing new markets for new crops/products

Educational access, mentors, financial assistance

Regulations being enforced fairly

Too many agencies allowed to add additional regulations to laws that are passed and they can use that to sabotage the legislation from being successful.

Agencies can say no without giving page and paragraph that authorized the negative response.
The next series of charts are reflective of this question:

**How much impact do each of the following areas of regulation have on your business? (1 being a major impact and 5 being no impact at all)**

- **Federal Taxes**
  - 1: 10%
  - 2: 23%
  - 3: 20%
  - 4: 26%
  - 5: 20%

- **State Taxes**
  - 1: 10%
  - 2: 37%
  - 3: 16%
  - 4: 16%
  - 5: 20%
State Business Taxes

Employment Regulations

Health and Safety Regulations

Environmental Regulations
The previous five charts quantified the amount of impact each topic had on the respective businesses. The following charts show why the businesses rated each topic with major or moderate impact. We asked them to only answer the following questions if they had considered the topics having a major or moderate impact on their business.

- 60% found that Federal Taxes were major or moderately impactful.
- 64% found that State Taxes were major or moderately impactful.
- 64% found that State Business Taxes were major or moderately impactful.
- 57% found that Employee Regulations were major or moderately impactful.
- 74% found that Health and Safety Regulations were major or moderately impactful.
- 57% found that Environmental Regulations were major or moderately impactful.
- 20% found that Other factors were major or moderately impactful.
In general, how would you describe your attitude toward state laws and regulations?

0% - They prevent competition from unfairly selling at below market prices  
30% - They make it difficult for new businesses to start  
0% - They help break down barriers to competition  
23% - Complying with them costs more than the benefits they produce  
0% - They increase the intensity of competition among firms  
26% - They keep the public safe  
13% - Other (specified on next page)  
6% - No response

<table>
<thead>
<tr>
<th>Topic</th>
<th>Actual Compliance</th>
<th>Reporting Regulations</th>
<th>Cost of Compliance</th>
<th>All of These</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Taxes</td>
<td>13%</td>
<td>27%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>State Sales Tax</td>
<td>21%</td>
<td>24%</td>
<td>21%</td>
<td>34%</td>
</tr>
<tr>
<td>State Business Tax</td>
<td>22%</td>
<td>22%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Employment Regulations</td>
<td>22%</td>
<td>17%</td>
<td>14%</td>
<td>47%</td>
</tr>
<tr>
<td>Health and Safety Regulations</td>
<td>32%</td>
<td>18%</td>
<td>19%</td>
<td>41%</td>
</tr>
<tr>
<td>Environmental Regulations</td>
<td>36%</td>
<td>0%</td>
<td>29%</td>
<td>52%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
<td>0%</td>
<td>33%</td>
<td>67%</td>
</tr>
</tbody>
</table>
Other:

• Make it difficult with taxes to pay for programs most don't benefit from
• The amount of specifics are not clear. There is often too much to be left to interpretation. i.e. herd-share
• Also, compliance is extremely costly for small farms and regulations are unclear or made by people who do not understand any of the actual processes of food production
• The also keep competition from entering the marketplace.
• They work hard and diligently to force small business to fail

How many employees or outside consultants or experts do you use for compliance with STATE legal and regulatory requirements?
(20% No Answer)

44% have 0 employees or consultants for legal compliance.
7% have 1 employee or consultant for legal compliance.
13% have 2 employees or consultants for legal compliance.
10% have 3 employees or consultants for legal compliance.
6% have 4 or more employees or consultants for legal compliance.

In comparison to other states, how would you rate West Virginia's regulatory environment as it pertains to your business? (6% No Answer)

0% find the West Virginia regulatory environment Excellent.
16% find the West Virginia regulatory environment Good.
6% find the West Virginia regulatory environment Average.
26% find the West Virginia regulatory environment Fair.
26% find the West Virginia regulatory environment Poor.
20% are Not Sure about the current state regulatory climate.
How many people does your business employ in West Virginia?
(21% No Answer)

23% employ 0 people in West Virginia.
20% employ 1 person in West Virginia.
13% employ 2 people in West Virginia.
3% employ 3 people in West Virginia.
20% employ 4 or more people in West Virginia.

How familiar are you with the STATE laws or regulations that affect your business?

[Diagram showing the percentage of responses to the question about familiarity with state laws or regulations. The pie chart shows:
- 53% Extremely
- 27% Moderately
- 17% Slightly
- 3% Not at All]
If there are any specific STATE laws or regulations that create a hardship on your business, please state them here and include the specific West Virginia code section(s) or rule number(s) if possible.

- H4273
- Raw Milk
- Cottage Foods/Processed Foods
- Conflicting state codes (no reference numbers given)
- Poultry Production
- County sampling fees
- Temporary Health Code Permit
- Hemp
- Too many regulatory agencies and expenses
- DHHR Regulations

Please explain how compliance with these STATE laws or rules creates a hardship for your business.

- required inspection, insurance, vet herd checks
- no raw milk sales even at markets, extremely slow permitting process (hard to plan for launch/profitability/test runs)
- They do not create a hardship for my business. I would like to better understand them so that I could comply.
- Cost of hiring additional staff for compliance with laws and rules. By not having such a law in place, we have to hire an additional 20-30 staff members to simply monitor our venue to protect against lawsuits
- Unclear regulations, too much regulation on generally safe practices (i.e. Fermented products)
- Have paid over $800 a year to sample products at fairs and festivals and some farmers markets.
- They make it hard to compete with other states that permit more direct farm to consumer sales. The costs to produce things in compliance with state guidelines, make it not even worth the investment for small farmers.
- It prevents us from growing, or being competitive.
- Too expensive vs. potential income
• Compliance as a manufacturer keeps smaller, niche producers out. Less specialized products that are in demand reach the shelves.
• Va and SC sell local produced cheese at Farm mkt. Cost of sanitation has to be mega less than required WV dairy processing plant. Or this is part of political activity to reduce number of small businesses to minimum possible.

**How would you change STATE laws or regulations to make them less onerous on your business? Or, alternatively, state why you believe certain specific STATE laws or regulations should be repealed in their entirety.**

• health department and state business center should be "at the ready" to help new business get on their feet with documentation and tax compliance, or be approved according to state law, as quickly as possible
• Replicate or study states with agritourism laws would increase our states willingness to participate in the industry. With our current lack of laws and sue happy environment, farms big and small are afraid to make the commitment to growing the industry.
• Less regulation, clearer
• Have firms pay one yearly fee to sample their products and it would be good in all counties in WV. This would have to be done through legislation as I have talked to all agencies involved and there is no path other than legislation.
• open hemp (and cannabis) production
• Have firms pay one yearly fee to sample their products and it would be good in all counties in WV. This would have to be done through legislation as I have talked to all agencies involved and there is no path other than legislation.
• I would look at states that have healthy, financially productive cottage food industries and make our state laws mirror theirs. WV is always behind, and as a result we are always behind financially too.
• Funding to assist start-ups so they can access these requirements.
• Need to be more sensitive to the smaller farmer and their very limited income in starting up vs. large corporation farms, you can not expect the smaller farmer to follow all the regulations of the corporation farms/large income farms.
• High tunnels should not be taxed as regular property. Tunnels are farm equipment and should not increase regular taxes.
• Use neighboring states health regs that have proved successful for vibrant and healthy Farm markets
What type of business do you operate? *(20% No Answer)*

- Farm: 50%
- Restaurant: 16%
- Farmers Market: 6%
- Greenhouse: 6%
- CSA: 6%
- Manufacturing: 3%
- Other Ag.: 3%
- Other: 10%
- No Answer: 6%

How long have you been in business? *(23% No Answer)*

- 0-5 years: 16%
- 16-20 years: 10%
- 20 years: 6%
- 30 years: 6%
- 40 years: 3%
- More than 40 years: 3%
- No Answer: 21%
What states do you operate in other than West Virginia? (44% No Answer)

Answers Included:
- Virginia
- Maryland
- Nation wide
What do you as an employer/and or business owner need for the STATE to do to enable you to create jobs in the upcoming year?

(43% No Answer)

• Lessen income tax rates
• Understand and support small farms as economic drivers in our state. The state agencies see most farms as hobbies, rather than as small businesses. Therefore, small business support for farms barely exists in the state. Real money should be being spent on supporting the small markets (farmers markets and stores) where farmers can sell their products to other West Virginias. That could impact our economy, our health and the vibrancy of our communities.
• train people
• not help
• Create a better farm to school system that allows entry into the program
• Not sure the state can make any changes that would allow us to afford to create jobs
• The WV Dept. of Ag testing mechanism for value added products is simply not functional. There is no easy way to navigate that system without being at the mercy of individual staff to interpret regulations and processes for compliance.
• More access to capital and clearer regulations
• Access to capital
• stop wasting time on coal
• Bring our food regulations forward to match other states. Many states have recognized the safety and financial value in small producers, benefitting not only the business owner, but the state that collects the taxes from said business.
• Access to education
• Support my efforts to create a system that catalogs small business owners and directory of consumers to match consumer need to product. Support producers in defining their niche, and being competitive with large scale producers-for example with specialized crops and products.
• make affordable, non over regulated, agriculture laws with the small, low income farmer in mind.
• Funding opportunities in the for-profit sector
• Agencies do everything possible to say yes and a no requires page and paragraph to justify the no answer.
Additional Comments:

• People spend too much time fighting regulations, rather than really understanding what they need to do to meet those regulations. The regulations are in place to keep us safe (take GAP certification for example.... lots of resistance to adopting those standards..... yet no one wants to get others sick from bad post harvest handling practices. It is not that hard to comply once you understand what you need to do).
• Regulate programs such as the Senior Produce voucher program to prevent vendors who are not farmers, or do not grow what they are selling through the program. As a farm that grows all the vegetables we sell, we should not have to compete in this program with produce purchased at out of state auctions and sold at our farmers markets as local produce.
• Small business is often overlooked, and anyone south of Charleston excluded from the agricultural industry.
• Dept. of Ag and DHHR need to work with farmers creating home-based kitchens, not against them.
• Regulatory climate has been a very effective political tool to limited growth of independent small business.