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by **Robert Smith, Vermont Business Magazine** Stuart Savel, of Brattleboro, ran a design/build and furniture making business in Westminster and then Chester, Vermont, for many years. He grew up in New Jersey and moved to Vermont in the winter of 1969-70. A back injury resulting from a car accident a few years ago made it impossible, even after surgeries, to continue that kind of work.

"I was basically in chronic pain," Savel said. "I was prescribed pain killers like Oxycodin and a number of opiates, and really didn't like them. They didn't work for me, and I found that cannabis strains did."



Savel said that he's used medical marijuana for some time.

"For a while before it became available in dispensaries," he said, "I got it on the street because it was a whole lot better than the opiates. I know a number of people who have gotten off opiates by the same route. I don't know if it's an answer to the opiates problem, but I do know a lot of people who say, this is better. I'll buy this illegally. I could buy this, or I could buy opiates, and this is better. It's more effective to me."

He is married to attorney Jeannie Kiewel. They have a grown daughter and grandchildren living here in Vermont.

Since 2012, four US states have passed ballot initiatives to remove prohibition and legalize a for-profit commercial marijuana industry. Voters in Washington, DC, have passed a more restricted initiative legalizing home production and personal possession of marijuana.

In May 2014, Governor Peter Shumlin signed a bill into law requiring the Secretary of Administration to provide a report about the consequences of legalizing marijuana.

In 2015, the Rand Corporation released a study on marijuana legalization in response to Shumlin's report request that came to the following conclusions about Vermont:

* Vermonters likely consumed between 15 and 25 metric tons of marijuana and spent between \$125 million and \$225 million on marijuana in 2014.

* There are nearly 40 times as many regular marijuana users living within 200 miles of Vermont borders as there

are living inside Vermont.

* Under a scenario in which Vermont legalized marijuana, taxed aggressively, suppressed its black market, and consumption increased by 25 to 100 percent, tax revenues from sales to Vermont residents could be in the range of \$20 million to \$75 million annually.

* Vermont also could end up supplying large numbers of out-of-state users, directly via marijuana tourism or indirectly — unless and until other states in the Northeast also legalized marijuana. That flow could then reverse if those states imposed lower taxes, undermining revenues from taxing Vermont's own residents. The likelihood of cross-border commerce could engender a federal government response, making all revenue projections highly uncertain.

(Rand Report: Considering Marijuana Legalization: Insights for Vermont and Other Jurisdictions)

The Vermont Senate is currently considering two bills that would allow for the legal growing and selling of marijuana in Vermont. The bills, S.95 and S. 241, introduced in 2015 and 2016, are quite different in their approach, in particular as to how marijuana would be grown and distributed. The first has considerable limitations on growing and selling, the latter taking a much broader view towards small, local growers and sellers, what Savel refers to as the "grey marijuana economy." Colorado and Washington. Several countries, Australia and in Europe and South America, are reconsidering their marijuana laws. Savel has been an activist lobbying for the legalization of marijuana and the passage of Bill S.241 (*See draft with Senator Sears' proposed amendment below*).

VBM: I'd like to start with getting your view on how this effort to legalize recreational use of marijuana has progressed, and in particular, your thoughts on just exactly how Vermont should proceed in doing this. Right now there are two quite different bills, S.95 and S. 241, before the State legislature addressing this issue. Can you give us some background on these efforts to legalize marijuana in Vermont?

SAVEL: There have been efforts to legalize it for a long time. I'm not totally familiar with when it started, or what the history of it is, but I can tell you that, once it became somewhat of an issue as to whether or not to legalize or how to legalize, a year ago last fall, I looked at the situation with several other people. We looked at what was going on in Colorado, and what was proposed in Washington, and we felt we really needed to figure out a way to do it in Vermont that is equitable.

We spoke to (Vermont State Senator) Jeanette White (D-Windham County), and Senator White came on board. It took a little convincing, but not a whole lot. She recognizes the right thing when she sees it. She decided that she would look into it. She held hearings all last Spring, about the Vermont Way. Our basic premise is that there are at least two, separate illegal economies running in the State. There is one where someone comes up, and they've got a little bit of weed or cannabis in the trunk, and along with it they have methamphetamines and all kinds of nasty drugs. In that case, it can be a stepping stone. They don't have weed, so they say, "try this little white powder." We don't want that, obviously.

There is another economy which is based on people who have been growing marijuana for years - the first time I saw it cultivated was in 1970 - and they are part of the local economy. A large part. Typically they are not very big. Typically people grow for themselves, but a fair number of them grow and in the fall they harvest it and use the money to pay their taxes, fix their cars. It's all spent locally. It's cash, and you can't spend it on Amazon. For a lot of towns, it's definitely a piece of the local economy. People go out to restaurants, servers get tips. So we wanted to keep that in the local economy, keep the jobs local, and allow that element to come into the light and be able to function legally and be able to collect a small tax for the state. In that way we could incorporate what we call the parallel economy into whatever plan there is. Then, whatever opportunities there are involved, say if there are retail stores, dispensaries, candy makers, cultivators - that those licenses be available to everybody. Everybody is equal under the law, theoretically.

The only way you can really do that is to have "unlimited licensing." We know there is a limit. We have a finite population, but at least in the Law, opportunity shouldn't be limited, so that anybody can apply and get a license at a reasonable fee, and it's open to all.

The alternative to that, which is being pushed by entrepreneurs and big money in state and maybe out of state as well, is to have it centralized, with just a few licensed larger growers. The proposal on the table now is for the existing four dispensaries, essentially a state run monopoly. It would be a captured market for at least a period of time. They're talking maybe 40 retail outlets being licensed throughout the state.

What that really means. it would be essentially three outlets per county. and small people will be shut out of that system.

The money that will come from the S. 95 Bill, which proposes that, will then be used for enforcement. Or at least a portion of it, as some will also be used for education. But no doubt that the people who pay the taxes on marijuana are going to want the law enforced against these small growers. Now, these folks have been there for a long time, some for maybe 50 years or more. They've been there through helicopters and threat of seizure. They're not going to stop growing.

So we looked at this and said, how are we going to change that paradigm? How do we get people to come out of the woods and become legal? We started with, well, you have to be able to grow in a plot. Right now there is a plant count, you get to grow so many plants. You've got to get rid of the plant count. It doesn't make sense anyway. There are big plants, little plants, and agriculturally people will tell you that you can predict what you can get per acre for a crop, but not per seed. There is thinning and other factors. So we thought, OK, let's go by plot size. We went back and forth. We started out at 10x10, then went to 100 square feet, through the hearings. That's reflected in S. 241, a Bill that is bipartisan, proposed by Jeanette White and Joe Benning (R- Caledonia). Right now it's a battle between the two opposing groups. One supporting business and one supporting local folk, and there is of course, a third, which is don't legalize it at all. I'm not going to dismiss their standing. They have their set of paradigms and their dialogue, and I can respect that. It's a democracy. Everybody gets a chance to say what they want and convince the rest.

So that's the basic argument. Evolving from that, how do these small growers who have a 100 square foot plot, how does that begin to work? So we thought, you get one plot when you come out of the woods. It's 100 square feet and you don't have to register. The idea is to bring it out of hiding and into a taxable situation. So everybody gets to come out.

If you want to sell it, you can sell it legally if you buy a license for another 100 square feet. We suggest that initially that's for \$100. Very reasonable. Enough to cover the state for its licensing fees. And anybody who wants one would buy a unit. So if you wanted 100 square feet it would be \$100, if you wanted 20,000 square feet you'd pay \$20,000. If you want 200 square feet, you pay \$200. And that's just the fee. Whether or not your crops are successful, you pay that up front for the privilege of expanding beyond that initial 100 square foot plot. It's a low enough fee for local people to be able to get into it, to get a couple of units and pay their taxes legally with what they make. It's an easy opportunity. It treats all growers equally, big and small. Maybe there should be a cap at 5,000 or 10,000 square feet, to keep RJ Reynolds out, but that's to be decided. I feel big companies can compete with small growers, but there should be no subsidy for big agriculture. Everybody should be treated equal. So that's how it works.

So now you have this setup, but how does the State collect taxes? There are all these people all over, and how are we going to regulate that? So the idea came up, well, you buy a stamp from the State, like the kind you would find on a liquor bottle, and that goes on each of your packages of product. It expresses the retail price, not the tax involved. So, let's say it's a \$50 purchase. You buy a \$50 stamp from the State, and that has to go on your package. You buy those in advance, so the State actually has money in advance for their tax. There might be local option taxes, but it would all be included. So maybe, in the end, for each \$50 stamp you pay \$5 apiece, so you're making \$45 and paying a 10% tax. Or maybe it's \$4. That's up to the State, but to the consumer, it's just a retail stamp rounded off to the highest number in \$5 increments. All the stamps have numbers, so the State knows who bought them. Someone is found with a package without a stamp, you find out where they got it, and with the numbers, you can look back and see where people legally got their product. All the taxes are at point of sale, so there is no duplicated bureaucracy, but there is a way to look back at where it came from.

VBM: Do you see this as at all similar to how the microbrew arrangements works with beer and spirits in Vermont?

SAVEL: Well, alcohol is very different. People do die from overdosing with alcohol, and there is no overdosing with marijuana. There are a lot of recorded problems. Marijuana has been around a long time, and it has been villainized for a long time, yet there are no documented problems. People say, well, we think this will happen or that will happen, and that's been over the past 100 years since the beginning of prohibition of marijuana, or people beginning to think about that back in 1915, 1916. But that hasn't happened. The documentation isn't there. If there were in fact hundreds of fatalities from people driving under the influence of marijuana, we'd know about it. The government has been fear mongering about marijuana for a long time, but they haven't been able to come up with documentation to support that. That doesn't mean it isn't dangerous, I'm just saying that there is a lot of false information out there, and really no documentation of anything particularly bad.

VBM: So what is the history of marijuana here in the US? Was it essentially openly available until a hundred years ago or

so?

SAVEL: Yeah. Well, there has never been a period when it wasn't available. Sometimes harder, easier, legal, illegal. There are multiple reasons for the prohibition. A lot of it was political scare tactics against Mexican immigrants, who were supposedly smoking it. It was unknown to a lot of the population. Minorities were using it, esoteric wealthy people, and it was easy to say, especially when prohibition came around, that it was a problem. There were opiate problems with some immigrants, and it all seemed to be a threat. So politically it was all tied together and made illegal. It just kept going and going, and was assumed to be bad. Now we're at a point, since probably the late 1960s, where the general population realizes that it's not as bad as we were led to believe. I would dare say that everyone in Vermont knows someone who smokes, and probably someone who grows!

VBM: Yeah. I do.

SAVEL: Now, for all of these people to become subject to prosecution again, because, even though it's illegal now, it's really not being prosecuted. A fair share of law enforcement in the State realizes that they are there to keep Vermonters safe, and it isn't really a prime safety issue. So they are not particularly going after marijuana cultivators these days, while we do have a serious heroin problem.

VBM: Yes. I work at the Brattleboro Retreat, and I deal with New England's heroin problem among our patients every day.

SAVEL: So you know. So the marijuana laws aren't really being enforced, but now if you have taxes demanding enforcement, I suspect that will change. We're going to see people we know, if not arrested, at least harassed enough initially to set an example.

VBM: So your concern is that, in the very act of legalizing marijuana, folks who may have been growing it illegally for half a century without much interference from the State, so to speak, in fact, the majority of growers, may now find themselves subject to active prosecution, because one of these laws will only make it legal for a very few folks to grow and distribute? Wouldn't that be ironic!

SAVEL: Right.

VBM: That's interesting! So what is the current situation regarding these proposed laws in Vermont?

SAVEL: Currently, this week, the bills are before the Senate Judiciary Committee. There are two bills. S. 95, which was put forth by Senator (David) Zuckerman (Progressive - Chittenden) last year, and S. 241, which I mentioned, as put forth by Senators White and Benning. The Committee is chaired by Senator (Dick) Sears, (D- Bennington) who this weekend said he would not tolerate anything homegrown in the bill. We'll see what happens at the rest of the hearings. Senator Sears says there will be a mockup on Tuesday, and by Friday there will be something to vote on. Only time will tell.

After that, theoretically if they vote through a bill, it would go to the Finance Committee, Chaired by Tim Ashe (Democrat/Progressive - Chittenden), and then it would go to the House. That's the status right now.

VBM: And the current legal status of marijuana in Vermont is that medical marijuana is legal, and is dispensed through the State via four dispensaries?

SAVEL: Yes, though patients are allowed to grow their own.

VBM: I'm assuming with limitations on the number of plants?

SAVEL: Yes. Two indoor plants, mature or maturing, and seven immature plants indoors.

VBM: I know that for decades, California has listed marijuana growing in its annual agricultural reports, even though it

was illegal, and it has had a huge impact on the economy there. Do we have any similar data regarding marijuana growing in Vermont?

SAVEL: The Rand Report refers to it, but the only other information I have is that one person in our group did an informal survey of local grow shops, people that sell hydroponic equipment and fertilizer to indoor and outdoor growers, extrapolated from the population base that we have somewhere between 7,000 and 10,000 people growing marijuana in Vermont, that go to these specific shops. Now, I venture to say that there are a fair number of people who just go to Agway in the springtime to buy their supplies and don't go to grow shops. So the number is very hard to tell, but it could be many more than the 10,000 figure.

VBM: So there actually could be tens of thousands of people growing marijuana in Vermont.

SAVEL: Right.

VBM: What do you see as the benefits for legalizing marijuana?

SAVEL: Well, to begin with, it'll give people a lot more respect for the judicial system. When I grew up, and probably when you grew up too, it was an issue. It did not bode well for citizen's relationship with the police. It produced a paranoid atmosphere. Laws that are based on untruths do. It erodes respect. I think that someone who comes home at night after work, a professional or anyone else, there's no difference between someone wanting a martini or someone wanting to smoke a joint. That's their business. It should not be against the law. Legalization would be a recognition of that.

The Rand Report said that 50% of the population do it. And I would think that when it comes to answering surveys, a lot of people might be uncomfortable revealing the truth, and I'm not sure how these polls factor that in to their statistics. But at any rate, when you have at least half the population engaged in a practice that is illegal, and feeling comfortable doing it and obtaining it illegally, something is wrong with the law. We live in a democracy, not an oligarchy or a dictatorship.

VBM: What are the main arguments against legalization?

SAVEL: There are the money arguments that you need to control it and the only way to control it is to limit it. Tight controls. Governments, that's what they do. They propagate regulations. Rarely do they give them up. That's how they look at it.

There are a lot of national organizations saying lets tax and regulate it like alcohol. But it isn't alcohol. What we saw in Prohibition is that it passed, and when it ended there was tax money for enforcement. There was enforcement during Prohibition, but individuals weren't particularly concerned about enforcement. Once Prohibition ended, there was tremendous concern by individuals. Revenuers broke up small stills, burned down the buildings they were in and sent people to jail. At the same time, large distilleries, and there aren't many in the world, took over. We're just beginning to get artinsial distilleries back. Alcohol prices dropped, and the risk overrode the benefits for individuals to keep a small still. It used to be that you had a stovetop still. I heard stories from my grandfather about making wine. That ended, the money went to big liquor distributors, and the market was monopolized and it left the small towns where it had been.

The situation in Vermont is that the economy is not great. We need jobs. If people can grow and sell marijuana legally and locally, they can hire local people to help. Growing marijuana is very labor intensive when done on an artinsial level. The money people talk about how many jobs they are going to create in retail and all that, those are jobs that they are creating but they are taking them from small towns. People could have a job in Athens and not have to drive to a centralized location for a minimum paying job. It could be in their neighborhood, and should be.

VBM: When Colorado legalized marijuana, State officials said this was something Vermont could watch and study to see how it worked out for them and apply those lessons here. What have we learned from Colorado, or other places?

SAVEL: Let's start with Colorado. I haven't been there, but I've read about it, so what I know is somewhat anecdotal.

They allow a lot of licensed growers, and they allow six plants for people to grow themselves but not to sell. Again, we're back to the plant count, which is interesting. You always run into this question of is it indoor or outdoor. You throw a seed into the ground, and it might grow or it might not, but it doesn't need a whole lot of attention. The quality gets much better if the plant is attended to, like anything else. Outdoors, it gets the sun. It grows. Indoors requires lights and more. When you have a large grower and you're indoors controlling the environment, if you get fungus or some kind of bug, basically you have a huge, valuable crop in a contained environment and you have to spray it or the problem will go everywhere. You have to do something quick. That's one of the problems.

Outside, you've got a breeze which helps keep the crop healthy, and you can catch problems. If you can't, you're just out the plants and not all the cost of the expensive growing equipment.

In Colorado, there's not much room for small growers. They've gained a lot in taxes from it. It seems to be working for them. I suspect that in a few years, once things are running smoothly and they have their lounges up and running, that attention will go toward the grey market, if it still exists. The prices are down significantly. Oregon also. Washington does not allow any home growers. That's just the way it happened. It's new, and I suspect they are going to have a problem with people who have been growing. They're not going to just stop. It's new. By and large it's been a success. The sky hasn't fallen in on Colorado. But I don't think that's necessarily the way we want to do things here.

In this State, it's community. We're here for our people. Not that people who have a lot of money shouldn't have a chance. They can invest and buy as many plots as are allowed. There's no problem in competing with them. I'm not saying that they are not allowed in. What I'm saying is, let's make it an even playing field.

Robert Smith is a writer and photographer living in Bellows Falls, VT.

S.241 With Senator Sears Amendment (See also STORY: [Shumlin, Sears outline bill to 'cautiously' legalize marijuana in Vermont](#))

[Summary of Draft Marijuana Bill Amendment](#) 

