

state deems possible.

SENATOR CHAMBERS: If you have a legitimate business and the tax is raised on that business, what do you do as far as the price you charge to customers?

SENATOR CONWAY: Typically, any increase in cost is going to be passed on to the customer.

SENATOR CHAMBERS: So in this business, which is the way drug dealing is being considered, what will happen if there is an increased cost of doing business that the pusher must pay?

SENATOR CONWAY: There is two things that will happen when you go to pass on the cost. If the cost cannot be absorbed or will not be absorbed from a profitability perspective, there is a possibility of diminishing the activity or you could pass it on and the individual who is charged with that is going to end up having to incur that cost.

SENATOR CHAMBERS: If these drugs are being sold to addicts, do you think a higher cost is going to stop an addict from using drugs?

SENATOR CONWAY: I think the availability may not be there because the drugs will not be brought in in large quantities for fear that they would be tapped for this tax and the tax is going to be at the point of sale, so that person, at that time, under the criminal provisions, would lose the drugs out of the system as well as having a higher cost extracted from them.

SENATOR CHAMBERS: Senator Conway, that is not realistic because even with all the attempts to interdict the drugs, and they cannot do that, certainly the fear of paying a tax which may or may not be collected is not going to dry up the movement or the quantity of drugs available. But if the cost is increased to the addict and the addict is intent on getting his or her drugs and the addict does not work, what is the addict likely to resort to in order to get the money to purchase the drugs?

SENATOR CONWAY: Let's say that the addict might try to negotiate a lower cost on his own behalf.

SENATOR CHAMBERS: And if that doesn't work and the addict must pay the cost, what is the addict going to do?