



STATE OF NEW YORK
DEPARTMENT OF AGRICULTURE AND MARKETS
10B AIRLINE DRIVE
ALBANY, NEW YORK 12235

Division of Milk Control & Dairy Services
518-457-5731

TO: Retailers of Milk

DATE: December 23, 2005

SUBJECT: Announcement of threshold price relative to milk price gouging law, **effective JANUARY 2006.**

Threshold prices are unchanged from the previous month. For **JANUARY 2006**, threshold prices for milk, lowfat milk, or skim milk offered for retail sale in the state are:

<u>Quart</u>	<u>Gallon</u>	Half <u>Gallon</u>
Metro Region: (NYC and Counties of Nassau, Suffolk, Rockland, Westchester, Orange, Putnam and Dutchess)	\$3.13	\$1.62 \$0.84
Upstate Region: (Remaining Counties)	\$2.92	\$1.51 \$0.79

A retailer who sells above the threshold price may be in violation of the law unless such selling price is justified as not being unconscionably excessive. Such justification includes net invoice price paid for the milk item plus actual costs incurred in handling and selling that milk item.

Please be advised that the threshold price is only changed if there is at least a \$0.02 per gallon (\$0.23/cwt.) change in the underlying price for Class I (fluid) milk at 3.5% butterfat. For January 2006, the minimum Federal Order Class I price (3.5% butterfat) decreased \$0.19 per hundredweight or \$0.016/gallon from last month. The threshold price is calculated by multiplying by two the total of two components, the minimum federal order price and the premium paid for Class I milk.