



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: February 17, 2006
SUBJECT: Announcement of threshold price relative to milk price gouging law,
effective MARCH 2006.

Effective **MARCH 2006**, threshold prices for milk, lowfat milk, or skim milk offered for retail sale in the state are:

	<u>Gallon</u>	<u>Half Gallon</u>	<u>Quart</u>
Metro Region: (NYC and Counties of Nassau, Suffolk, Rockland, Westchester, Orange, Putnam and Dutchess)	\$2.95	\$1.52	\$0.80
Upstate Region: (Remaining Counties)	\$2.73	\$1.42	\$0.74

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.

Compared to the previous threshold, which was unchanged in December, January and February, prices decreased \$0.18 a gallon, \$0.10 a half gallon and \$0.04 a quart in Metro NY and \$0.19 a gallon, \$0.09 a half gallon and \$0.05 a quart in Upstate NY. These changes are calculated from December 2005, the base month the previous threshold was calculated on, and reflect a decrease of \$1.08 per hundredweight (\$0.093/gallon) in the underlying Federal Order Class I price (3.5% butterfat). Compared to last month, the Federal Order Class I price (3.5% butterfat) decreased \$0.89 per hundredweight (\$0.077/gallon). 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.