



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 23, 2007

SUBJECT: Announcement of threshold price relative to milk price gouging law,
effective MARCH 2007.

For **MARCH 2007**, 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)	\$3.25	\$1.68	\$0.87
Upstate Region: (Remaining Counties)	\$3.04	\$1.57	\$0.82

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 price, which was the same in January and February, prices increased \$0.11 a gallon, \$0.06 a half gallon and \$0.03 a quart in Metro NY and \$0.12 a gallon, \$0.06 a half gallon and \$0.03 a quart in Upstate NY. These changes are calculated from January 2007, the base month of the previous threshold, and reflect an increase of \$0.66 per hundredweight (\$0.057 per gallon) in the underlying federal order Class I (fluid) milk price (3.5% butterfat). Compared to February 2007, the federal order Class I price (3.5% butterfat) increased \$0.86 per hundredweight (\$0.074 per 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.