



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

DIVISION OF MILK CONTROL AND DAIRY SERVICES  
518-457-5731

**TO:** Retailers of Milk

**DATE:** July 23, 2004

**SUBJECT:** Announcement of threshold price relative to milk price gouging law,  
**effective AUGUST 2004.**

For **AUGUST 2004**, 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)	\$3.31	\$1.71	\$0.89
Upstate Region: (Remaining Counties)	\$3.10	\$1.60	\$0.83

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, prices decreased \$0.58 a gallon, \$0.28 a half gallon and \$0.14 a quart in Metro NY and \$0.57 a gallon, \$0.29 a half gallon and \$0.15 a quart in Upstate NY. The decrease reflects the underlying change in the Federal Order Class I price (3.5% butterfat) which decreased \$3.33 per hundredweight (\$0.286 /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.