



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: January 20, 2006
SUBJECT: Announcement of threshold price relative to milk price gouging law,
effective FEBRUARY 2006.

Threshold prices are unchanged from the previous month. For **FEBRUARY 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) | \$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. This is the second consecutive month that the threshold price remains unchanged. The Federal Order Class I price (3.5% butterfat) was unchanged from January 2006. 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.