

Forman Sandra Matrick
 Form 4
 December 28, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Forman Sandra Matrick

2. Issuer Name and Ticker or Trading Symbol
 HARRIS & HARRIS GROUP INC
 /NY/ [TINY]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 111 WEST 57TH STREET, SUITE 1100
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/26/2006

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 General Counsel

NEW YORK, NY 10019

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/26/2006		M		14,913	A	\$ 10.11
Common Stock	12/26/2006		S ⁽¹⁾		14,913	D	\$ 12.3402
Common Stock	12/26/2006		M		496	A	\$ 10.11
Common Stock	12/27/2006		M		10,000	A	\$ 10.11
	12/27/2006		S ⁽³⁾		10,000	D	

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Common Stock					\$ 12.3988				
					<u>(4)</u>				
Common Stock	12/27/2006		M	341	A	\$ 10.11	1,107	D	
Common Stock							250	I	Owned by Husband

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (Right to Buy)	\$ 10.11	12/26/2006		M	14,913	12/26/2006	06/26/2007	Common Stock	14,913
Employee Stock Option (Right to Buy)	\$ 10.11	12/26/2006		M	496	12/26/2006	06/26/2016	Common Stock	496
Employee Stock Option (Right to Buy)	\$ 10.11	12/27/2006		M	10,000	12/26/2006	06/26/2007	Common Stock	10,000
Employee Stock Option (Right to Buy)	\$ 10.11	12/27/2006		M	341	12/26/2006	06/26/2016	Common Stock	341

Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Forman Sandra Matrick 111 WEST 57TH STREET, SUITE 1100 NEW YORK, NY 10019			General Counsel	

Signatures

/s/ Sandra Matrick
Forman

12/28/2006

**Signature of Reporting
Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on December 22, 2006.
 - (2) Shares were sold for an average price of \$12.3402 in 58 transactions with share prices ranging from \$12.13 to \$12.79.
 - (3) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on December 22, 2006.
 - (4) Shares were sold for an average price of \$12.3988 in 67 transactions with share prices ranging from \$12.06 to \$12.61.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.