

SUPPLEMENT DATED MARCH 26, 2009 TO THE
OFFICIAL STATEMENT DATED MARCH 11, 2009

RELATING TO

	\$279,355,000	
	New York State	
	Environmental Facilities Corporation	
	State Personal Income Tax Revenue Bonds	
	(Environment)	
\$252,465,000		\$26,890,000
Series 2009 A		Series 2009 B
		(Federally Taxable)

The following information supplements the information contained in the Official Statement dated March 11, 2009 (the "Official Statement") relating to the New York State Environmental Facilities Corporation's \$252,465,000 aggregate principal amount of State Personal Income Tax Revenue Bonds (Environment), Series 2009 A and \$26,890,000 aggregate principal amount of State Personal Income Tax Revenue Bonds (Environment), Series 2009 B (Federally Taxable) (the "Series 2009 Bonds").

Appendix A to the Official Statement entitled "Information Concerning the State of New York" is hereby supplemented by adding thereto the attached Supplement to the Third Quarterly Update to the 2008-09 Annual Information Statement (AIS) State of New York, dated March 24, 2009 (the "Supplement"). The Supplement describes an additional reduction in projected General Fund receipts in the current fiscal year and in fiscal year 2009-10 from the reductions previously projected.

Supplement to the Third Quarterly Update to the 2008-09 Annual Information Statement (AIS) State of New York

March 24, 2009

In the Supplement to the AIS dated February 24, 2009, the Division of the Budget ("DOB") reported that the Governor and Legislature had reached a consensus forecast that, based on updated economic information and operating results through mid-February 2009, General Fund tax receipts for the two-year period from fiscal year 2008-09 to fiscal year 2009-10 were likely to be \$1 billion lower than the levels forecast in the Executive Budget, as amended by the Governor on January 15, 2009. At the time, the DOB further noted that the State Financial Plan projections were subject to a number of risks, including risks related to the economic forecast and the execution of certain transactions assumed in the Financial Plan.

Based on a review of updated economic information since the consensus forecast was completed, the Governor and Legislature have agreed to further reduce projected General Fund receipts by approximately \$300 million in the current fiscal year and \$1.5 billion in 2009-10. In addition, the State has determined that it will not receive a planned payment of \$370 million in the current fiscal year from a private operator for development rights related to a video lottery terminal (VLT) facility at Aqueduct Racetrack.

In the current fiscal year, the downward revision to the General Fund receipts forecast and loss of the VLT franchise payment are expected to be more than offset by the increase in Federal aid for Medicaid expenditures (which has the effect of reducing the State's General Fund Medicaid costs) and other savings. The DOB continues to expect that the State will end the 2008-09 fiscal year in balance and without the use of existing reserves.

The Executive and Legislature are negotiating the budget for the 2009-10 fiscal year, which begins on April 1, 2009 (all debt service appropriations for 2009-10 were enacted in their entirety on March 5, 2009). The DOB expects that the reduction in projected General Fund receipts described in this Supplement will be addressed as part of overall negotiations to enact a balanced budget for the 2009-10 fiscal year.

On March 24, 2009, the Executive announced that it would implement a Workforce Reduction Plan ("WRP"). The DOB expects that the WRP will result in a State workforce reduction equivalent to approximately 8,900 employees, and will generate savings of approximately \$160 million in 2009-10 growing to \$319 million in 2010-11. The savings from the WRP will be reflected in the Financial Plan for 2009-10.