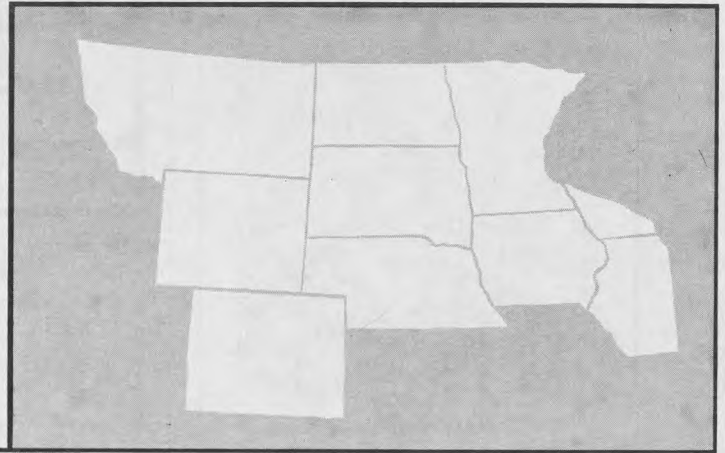


# NORTHWESTERN Banker

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Des Moines, Iowa

February 24, 1969

## Propose Holding Company Legislation

Comprehensive bills have been introduced in the U. S. House and U. S. Senate to close loopholes in the Bank Holding Company Act of 1956 and to end the movement of banks into non-banking enterprises.

Rep. Wright Patman (D., Tex.), chairman of the House Banking and Currency Committee, introduced the bill in the House, stating that his legislation would move all bank holding companies under "a single umbrella of regulation and under a single standard of law." He said his bill would provide a "clearcut separation of banking from non-banking businesses. He is scheduled to appear as a key speaker at the Independent Bankers Convention in Las Vegas, March 17-19.

Sen. Wm. Proxmire (D., Wisc.), chairman of the Senate Banking Committee's Financial Institutions subcommittee, has introduced a similar bill.

Both measures would bring one-bank holding companies under the 1956 Holding Company Act's prohibition against moving into businesses unrelated to banking. Both bills also

would leave the language of prohibition untouched, and would leave its administration solely in the hands of the Federal Reserve Board.

The Proxmire bill, however, would establish a Presidential banking commission to make recommendations by mid-1971 for loosening some of the present restrictions on traditional banking activity.

A Proxmire aide said this commission might examine rules such as those that restrict entry of banks into new communities, set capital requirements, limit the payment of interest on deposits, and specify guidelines for portfolio management.

Sen. Proxmire's idea is that perhaps by removing some of the restrictions on banking operations, the business could be made sufficiently attractive to diminish the desire of banks to acquire non-banking businesses.

Sen. Proxmire also would permit one-bank holding companies to continue all non-banking activities begun before last January 1, pending the proposed Presidential commission's report. Rep. Patman's bill, in

contrast, would require divestiture of non-banking enterprises within five years.

The Proxmire and Patman measures are much tougher than a proposal the Treasury Department has said it will send to Congress. The Treasury wants to divide jurisdiction under the Holding Company Act among the three Federal banking agencies, and it wants to expand the permissible non-banking activities of holding companies. The Treasury also opposes a divestiture requirement.

## Nebraska Branch Hearings...

Hearings are scheduled again this week on branch banking bills in the Nebraska legislature. It is anticipated that LB 45 (citywide branching); LB 46 (branching in adjacent counties), and LB 47 (limited statewide branching) will come up for a vote before the Banking Committee. At a hearing last week, three committee members voted for kill motions, four abstained and one was absent. Five votes are needed to kill or advance a bill. Over 450 people attending the hearing voiced opposition to the bills.

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### IOWA NEWS

AMES: The 24th annual Ag Credit School will be held here June 2-13. Contact H. B. Howell, Dept. of Econ., 306 East Hall, Iowa State University, Ames, for further information.

BURLINGTON: Wilbur Schnirring has joined Farmers and Merchants Bank & Trust as a.v.p. in charge of business dev. and public rel. He was mgr. of the local Chamber of Commerce.

CLARENCE: The Clarence Savings Bank observed its 75th anniversary recently.

CLARION: George L. Mechem has been elected v.p. and cash. of the Wright Co. State Bank. Duane H. Hovick was named a.c.

DES MOINES: The recodification bill (Senate File 18) passed the Senate 57 to 0. Hearings are now being held in the House.

DES MOINES: The 9% interest rate bill was approved in committee in the Senate as of Wed., Feb. 19.



## The Bank That's On Top of Things In Northwest Iowa

### SECURITY NATIONAL BANK

SIOUX CITY, IOWA

IOWA CITY: The Iowa Bankers Bank Management Seminar, limited to 35 senior bank officers, is now in session at University of Iowa.

MECHANICSVILLE: Janet Ford has been advanced to a.v.p. and dir., and Robert L. Davis is a new a.c. at the Mechanicsville Trust & Savings Bank.

MT. AYR: Merlyn Allen has joined Security State Bank as v.p. He was with Polk City Savings.

TIPTON: Michael H. Cord, formerly with Seaboard Finance, Clinton, is now mgr. of installment loans at the Tipton State Bank.

WASHINGTON: Logan T. Heilman is now v.p. and cash., and Milo M. Orris is now a.v.p. at Washington State Bank. Jerry Bryan is a new a.c.

### NEBRASKA NEWS

LINCOLN: Natl. Bank of Commerce has voted on the reorganization of the bank into a one-bank holding company called NBC Co. Informal approval has been received from Federal regulatory authorities. Final approval is expected March 17. Two shares of NBC Co. stock will be issued for each share of bank stock.

OMAHA: U. S. Natl. Bank has promoted four: John R. Burnham to v.p.; Duane A. Ferguson, to a.v.p.; Noble E. Vosburg, to a.c., and

Donald L. Jorgensen, to a.t.o. Dillon L. Ross, III, is a new a.c.

OMAHA: Michael B. Rock has been appointed asst. personnel off. of the Omaha Natl. Bank. He joined the bank's data processing dept. in 1965.

WEST POINT: Eldon G. Freudenburg has advanced from exec. v.p. to pres. of First Natl. Bank. R. H. Freudenburg continues as chmn.

### MINNESOTA NEWS

APPLETON: A. E. Arntzen has sold his stock in the Farmers and Merchants State Bank to three long-time employees. The new owners and new titles are: Robert Pederson, pres.; Ralph Schmidt, exec. v.p., and Leonard Masee, v.p. and cash. Mr. Schmidt will serve as chmn.

AITKIN: M. M. Welshons has joined the First Natl. Bank as exec. v.p. He continues also as pres., State Bank of Pillager, and as a dir. of Brainerd Natl.

AUSTIN: Steven Schneberger is a new install. off. at the First Natl. Bank.

GIBBON: The State Bank has purchased an adjoining building for expansion purposes.

HASTINGS: F. P. Woxland has been advanced to senior v.p. and cash. of the Northwestern Natl. Bank. He will also be a dir.

MANKATO: Natl. Bank of Commerce has promoted A. B. Evensvold and R. J. Strachan to v.p.'s, and elected Larry Blachowske to a.c.

MINNEAPOLIS: The Minnesota Bankers Assn. 9th Bank Management Conf. starts tomorrow (Feb. 25) at Hotel Radisson. Program



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details are on page 64 of the Feb. issue of *Northwestern Banker*.

MINNEAPOLIS: Kyle Fossum has resigned as senior v.p. of the Federal Reserve Bank of Minneapolis to become first v.p. of the Federal Reserve Bank of Atlanta, Ga., March 1.

Hugh D. Galusha, Jr., Minneapolis bank pres., also announced two transfers and two promotions: Clement Van Nice, senior v.p. in charge of the Helena branch, will return to the head office in Minneapolis; Howard Knous, v.p. in charge of check and money at the head office, will move to Helena as mgr.

MOORHEAD: Moorhead State Bank has advanced Robert A. Schweyen to v.p., and Ervin E. Johnson to cash. Shirley McManus was named aud.

ST. PAUL: Richard E. Stevenson, pres., Highland Park State Bank, has announced that M. J. Murray and John D. Turner have been named v.p.'s, and that John D. Rongitsch was named v.p. and cash.

VILLAGE PARK: The Minnesota Commerce Comm. has granted an application for a state bank here, to be called Brooklyn Park State Bank. It will be located at Osseo Road and Zane Ave. North.

Applicants are: Victor N. Jude, Maple Lake; Harold J. Pohlad, Edina; Glen W. Swenson, Buffalo; Eldon Tessman, Arthur Veit, Gerald J. Smith and Wilbur H. Goetze, all of Brooklyn Park.

WELLS: Vince Hart has been named pres. of Security State Bank, succeeding his brother, Tom, who has become pres. of Farmers State Bank, Flandreau, S. D.

## ILLINOIS NEWS

ALTON: Terry E. Brady has been named an a.v.p. at First Natl. Bank & Trust.

EVANSTON: Ronald M. Hillery has been named an a.v.p. in charge of install. loans at Evanston Trust & Savings Bank.

at the Hotel Pere Marquette on Feb. 25-26 for the 17th annual Public Relations and Marketing Conf. Over 300 bankers are expected. Chmn. of the Conf. is Dean E. Kamper, First Natl. Bank, Belleville.

ROCKFORD: Russell C. Gibson, pres. of J. L. Clark Mfg. Co., Rockford, has been elected a dir.

## WYOMING NEWS

CASPER: James A. Hicks has been named mortgage loan off. for the Wyoming Natl. Bank.

EVANSTON: Dr. Albert D. Murray has been named chmn. and pres. of the Stockgrowers Bank of Evanston, succeeding the late William J. Haines. Mr. Haines died Jan. 28 after 61 years in banking. Mr. Murray has been v.p. and dir. for 15 years. Elwood (Woody) Haines was named exec. v.p. He is also exec. v.p. of the First Natl., Laramie, and secy. of the Wyoming Bankers Assn.

## COLORADO NEWS

BOULDER: Clyde R. Reedy has been named exec. v.p. of the Natl. State Bank. He joined the bank in 1934.

LONGMONT: Arthur G. Salberg has been named pres. of the First Natl. Bank and R. V. Batt advances to chmn. Mr. Salberg has been v.p. and cash.

MONTBELLO: The Montbello State Bank, 12075 East 40th, has opened for business as the 100th state-chartered bank in Colorado. Charles R. Sillstrop, former pres. of Colfax Natl., is the new pres. All of the organizers of the new bank have



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been directors and/or officers of Aurora Natl. George T. Sweeney is exec. v.p.

TELLURIDE: An application for a state chartered bank, to be known as the Bank of Telluride has been filed. Filing the application were six directors or officers of the Dolores State Bank, located 70 miles southwest of Telluride. Heading the list is Dr. E. G. Merritt, pres. and Donald K. Majors, exec. v.p. and cash. of Dolores State.

## MONTANA NEWS

A controversial bill that would have permitted branch banking in Montana was killed by the House of Representatives, which later resisted a revival effort.

The bill, HB 300, went down when the House, by a 44-33 division, accepted the "do not pass" motion made by Rep. Earl M. Cranston, (R., Billings).



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## NORTH DAKOTA NEWS

**BISMARCK:** North Dakota's top banking officer has reportedly predicted a bill to permit branch banking in the state will pass the legislature this session.

"There has been some recent pressure—mostly negative—on legislators but my guess is that it will pass," Herbert Thorndal, Jr., state bank examiner declared.

The bill, which is expected to be voted out of the Senate Finance and Industry Committee, would allow de novo branching in home communities of more than 3,500

and within three miles of the city limits.

The measure also would permit branching by merger of banks in towns of less than 3,500 population that are within 90 miles of their home office.

**DRAYTON:** Omar Vein has advanced from exec. v.p. to pres. of Drayton State Bank, succeeding R. H. Johnson, who has advanced to chmn.

**LIDGERWOOD:** First Natl. Bank has purchased an adjacent building for additional space and remodeling work has started.

**MANDAN:** William R. Tait, formerly pres., First Natl., Dillon, Mont., takes over as pres. of First Natl. of Mandan on March 1, succeeding R. M. Leslie, who will be pres., First Natl. of Billings, Mont.

**OAKES:** Following sale of stock in the First Natl. Bank, Carl Bowman has been advanced from v.p. to pres. Franklin G. Larson, Valley City attorney, will be chmn. Dennis D. Dalziel will be exec. v.p. Clarence Sather, v.p., and Ralph Mangnall, cash., will continue with the bank.

**TIOGA:** G. C. Anderson has advanced from exec. v.p. to pres. of the Bank of Tioga, succeeding R. C. Wiper, who will be chmn. Marjorie Nygaard will be cash.

**UNDERWOOD:** Duane Schuh has been advanced from a.c. to cash. at First Sec. Bank.

**WAHPETON:** Citizens First Natl.

has changed its name to First Natl. Bank of Wahpeton.

**WAHPETON:** Russell Eckstrom is the new auditor of Wahpeton Natl. Bank.

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