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Agents Urge Conferees to Limit Banks

Insurance agents will try to convince Senate-House conferees that one-bank holding company legislation should confine banks to the credit life, accident and health insurance field and should contain a "grandfather" date less recent than the one in the Senate-passed bill.

Meeting in convention in Miami Beach, the National Assn. of Insurance Agents expressed angry disappointment at the Senate for enacting a one-bank bill (H.R. 6678) closely resembling the one approved by the Senate Banking Committee.

Lyle Huggins, NAIA president, said the Senate failed to recognize the unfair competitive threat to small businessmen embodied in the Senate-passed bill.

He promised that the insurance agents and other threatened small businessmen "will continue our unceasing efforts to obtain fair treatment from the Congress for our just cause."

Mr. Huggins said the agents are "counting upon" the Senate-House conferees to correct "the obvious shortcomings" of the Senate bill.

There is little chance that the conferees will meet to resolve differences on the one-bank measure before adjournment, October 14. Increasingly, there is talk on Capitol Hill of a post-election session.

At the NAIA convention, Mr. Huggins said the Senate bill "represents a shameless capitulation to the interests of the big bank lobby."



Lyle Huggins

While the House bill provides a prohibition for banks engaging in the general insurance business, no such ban is contained in the Senate measure, he noted.

"The Senate bill," he charged, "sidesteps the public interest aspects of bank holding company matters and legalizes funnelling of insurance dollars out of public's pockets by permitting the use of the coercive power of credit. It promotes the unfair sale of insurance as the by-product of a bank loan without giving some consideration to the service aspects of an insurance transaction."

Mr. Huggins was particularly critical of the so-called conglomerate amendment, which would exempt 82% of all bank holding companies from the prohibition

against engaging in nonbanking activities.

"Many of the senators have apparently succumbed to the special interest appeal of the big bankers in disregard of the public, the insurance agents and other small businessmen," Mr. Huggins continued. "The independent insurance agents are indignant over this shabby treatment."

The NAIA president did commend the Senate for adopting a more realistic grandfather date of June 30, 1968, but expressed the hope that an even earlier date will come out of conference.

ABA Questions IRS on Tax on Savings...

The statutory authority used by the Internal Revenue Service in proposing to disallow Federal income tax deferrals on interest earned from long-term savings plans offered by commercial banks, S&L's and savings banks is being challenged by the American Bankers Assn.

The proposed rules are aimed at savings plans that forbid depositors from withdrawing any principal or interest, except in emergencies, until later than one year. For such deposits made after last August 24, interest earned would be subject to income tax in the year earned, not just the year in which it is withdrawn.

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IOWA NEWS

CLINTON: DeWitt Bank and Trust Company has opened its newly completed drive-in banking facility, according to an announcement by Ivan E. Barber, president.

DES MOINES: Bankers attending the Iowa Bankers Convention are invited to inspect the modern parking lot office just completed by Bankers Trust Co. at 6th and Grand Avenue in downtown Des Moines.

DES MOINES: James R. Womack has been promoted to assistant cashier and manager of Plaza State Bank's installment loan department. Mr. Womack joined the bank earlier this year and was formerly affiliated with Bellas Hess.

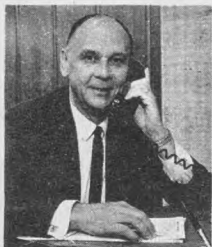
DUBUQUE: The First National Bank announced recently the institution of a new program called Wallet Savings, which will replace and modernize the present passbook procedure for savings transactions. At the

same time, First National announced an increase on interest on savings accounts from 4 to 4½% according to Thomas W. Buelow, assistant vice president.

LE MARS: The First National Bank has recently appointed James E. Christensen as vice president in charge of commercial lending. Mr. Christensen was formerly with the U. S. Treasury department in the comptroller of currency's office as a bank examiner.

MANNING: Promotion of one officer and election of a new officer at the Manning Trust and Savings Bank was recently announced by directors. Lyle G. Hansen, formerly cashier, was promoted to vice president. T. L. Henderson has been elected cashier and agricultural loan representative.

MASON CITY: Construction is under way on a new drive-in and walk-in facility for the United Home Bank and Trust Company.



George Harnage

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SIOUX CITY IOWA

MUSCATINE: John B. Rigler, president of Central State Bank, recently announced that the bank has applied to the Department of Banking and the Federal Reserve System for approval to operate a banking facility in Muscatine.

MUSCATINE: Rodney L. Burnett recently assumed his duties as vice president and farm representative of the Wilton Savings Bank. Prior to that he held a similar position with the Central Trust and Savings Bank in Eldridge.

OSKALOOSA: Frederick C. Reed, assistant cashier at Iowa Trust and Savings Bank has been named cashier by the bank's board of directors. He succeeds Robert E. Bullock.

SHELDON: Clair L. Schneider, president of the Security State Bank, died recently at the age of 77. He was affiliated with the banking business since 1928.

TRAER: Arden E. Melcher has been named new vice president of Traer's First Community Bank and Trust. He was formerly with the LaPorte City Bank.

NEBRASKA NEWS

OMAHA: The executive committee of the First National Bank of Omaha announced the promotion of John M. Green as loan officer. He has been with the bank since 1968.

MINNESOTA NEWS

BARNESVILLE: The controlling interest in the First National Bank was purchased by James L. Durham, Moorhead; Hugh V. Olson, Moorhead; and R. H. Tallman, Fargo, N. Dak.

J. L. Durham resigned as president of the First National Bank in Moorhead to become chairman and president of this bank. Walter R. Olson, L. L. Olson, Carl Simison and Garnet L. Solum sold their interest to the men from the Fargo-Moorhead area.

EDINA: A charter has recently been issued to Southwest Fidelity State Bank of Edina. C. Herbert Cornell has been named chairman; Loyal C. Simensen, president; Michael Lillehaugen, executive vice president.

MOORHEAD: William R. Amundson has been elected the new president of the First National Bank in Moorhead.

PARK FALLS: William T. Flannery has been named executive vice president of the Park Falls State

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Bank. Mr. Flannery has been an installment loan officer with the First American National Bank of Wausau for the past four years.

SAVAGE: Sale of the controlling interest in the Savage State Bank to Obert M. Udem of Minneapolis was announced by the Cambridge Corp., Minneapolis. John G. Lindell, Cambridge president, said the sale involved 82.2% of the bank's stock. Mr. Udem will become president and chief executive officer of the bank, succeeding John Gargaro, who remain on the staff as a consultant.

COLORADO NEWS

COLORADO SPRINGS: The Colorado Bank Board has recently approved a charter application for the Citadel State Bank.

ILLINOIS NEWS

CHICAGO: A permit to organize has been issued to a group of applicants proposing to establish an Illinois state bank to be known as Bank of Commerce and Industry at 6104 Northwest Highway. Total capitalization is \$750,000. Capital consists of 7,500 shares at \$40; surplus of \$300,000, and reserves of \$150,000.

Organizers include Harold J. Green and Harold S. Lansing.

EDINBURG: A charter has recently been issued for the Citizens Bank of Edinburg. The bank has \$400,000 total capitalization. Ray B. Dewhirst has been named chairman of the board; Rodell Beaty, president; Robert J. Greive, vice president; Thomas H. McGary, vice president and Robert W. Ashbaugh has been named cashier.

JOLIET: The West Jefferson Bank has been issued a charter and will operate with \$500,000 total capitalization. Organizers of the bank are: Eugene I. Bogdan of Joliet; Earl H. Wood, Lockport; Mel F. Campbell, Joliet; L. Park Davis; Joliet; and Earl H. Diehl, Joliet.

LOCKPORT: The Bank of Lockport

recently received its charter and will operate at \$750,000 total capitalization. Vernon S. Hoesch will serve as chairman; Harold Schmitz, Sr., as president; Jerome J. Paddock, vice president and George K. Pilkenton will serve as acting cashier.

URBANA: The 25th Annual Illinois Bank Management Conference sponsored by the Illinois Bankers Assn. will be held October 28-29 at Kranert Center, University of Illinois. Robert P. Mayo, president of the Federal Reserve Bank of Chicago, will be the featured banquet speaker.

WOOD DALE: The Bank of Wood Dale has received its charter to begin operations. The bank will operate with a total capitalization of \$750,000. Charles C. Looney will serve as chairman; G. Ward Stearns as president and James E. Burgess as acting cashier.

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North Dakota Group Programs Announced

Highlights have been announced for the 1970 North Dakota Group Meetings by Robert V. Wells, president of NDBA and president, Security State Bank, Robinson.

The meetings will be held as follows:

Northeast Group: Tuesday, Oct. 20, Rugby - Andrew's Steak House.
Northwest Group: Wednesday, Oct. 21, Williston - Plainsman Hotel.

Southwest Group: Thursday, Oct. 22, Dickinson - Meeting to be held at hospitality room, Liberty National Bank & Trust Co. Reception and dinner at Elks Club.

Southeast Group: Friday, Oct. 23,

Valley City - Elks Club.

Registration at all meetings will be between 3:00 and 4:00 P.M. Call to order for the formal business meeting will be at 4:00 P.M. Social hour will be at 6:00 P.M. and dinner will be at 7:00 P.M.

MBA Junior Bank Officer And Staff Conference ...

Final plans are now being made for the Minnesota Bankers Assn. 21st Annual Junior Bank Officer and Staff Conference, to be held October 28-29 at the Radisson South Hotel.

The Conference, sponsored by the MBA American Institute of Banking Educational Committee, will cover a wide range of topics that include banking, student unrest, bank security and education.

Among the speakers for the Wednesday program will be American Bankers Assn. President Clifford C. Sommer, Minnesota Bankers Assn. President Marvin R. Campbell, economist Dr. Arthur Upgren, and human relations authority James Merrill.

Registration for the Conference will begin at 4:00 P.M. with a 5:00 P.M. reception at the Radisson South Hotel with dinner and musical stage show "South Pacific"

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