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49 State Legislatures Convene This Month

An estimated 35,000 new laws will be enacted in the 49 regular sessions of state legislatures slated to meet this year. The new laws will result from approximately 125,000 bills that will be introduced in the 1971 sessions.

Legislatures in all of the states covered by *Northwestern Banker* will convene this month, and judging from past experience a substantial portion of the new legislation will affect the banking industry, either directly or indirectly.

Area legislatures are scheduled to convene as follows:

Colorado	Jan. 6
Illinois	Jan. 6
Iowa	Jan. 11
Minnesota	Jan. 5
Montana	Jan. 4
Nebraska	Jan. 5
North Dakota	Jan. 5
South Dakota	Jan. 19
Wyoming	Jan. 12

The subject of taxes will be uppermost in the minds of the majority of legislators in all states. Bankers associations in individual states like Iowa and Minnesota will be interested in trying to obtain a realistic installment lending rate. It is con-

ceivable that a bill authorizing the Uniform Consumer Credit Code will be introduced in Iowa.



A bill authorizing some form of branching is anticipated in Minnesota, and a bill authorizing registered bank holding companies is planned in Illinois. Bankers in North Dakota may also see a branching proposal introduced.

As the various state legislative sessions move ahead, the *Northwestern Banker* will publish detailed reports on the activities in each state in its circulation area.

Propose New Ag Credit Amendment

The Board of Governors of the Federal Reserve System has issued for comment a proposed amendment to its Truth in Lending Regulation Z relating to the extension of credit for agricultural purposes involving the right of rescission. Comments should be

received by the Board no later than January 18, 1971.

The proposed amendment would permit farmers to obtain funds, goods or services in agricultural credit transactions without waiting for the expiration of the three-day rescission period when their residence is part of the collateral for credit.

Fed Bans Interlocks Among Financial Institutions

Prohibitions against director and management interlocks among all financial institutions within regions where they compete with each other, including commercial banks, savings and loan associations and savings banks, were recommended by Federal Reserve Board Chairman Arthur F. Burns.

The Fed chairman, expressing the opinion of the full Fed Board in a letter to Rep. Wright Patman, (D., Tex.) chairman of the House Banking and Currency Committee, said that despite the absence of competition in some lines of activity, over-all there is "sufficient overlapping of functions among all kinds of depository institutions to support a general presumption that those in the same community are in competition, particularly in view of the increasing powers of S&L's.

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IOWA NEWS

CEDAR RAPIDS: Peoples Bank and Trust Co. has promoted Gary D. Ernst from assistant trust officer to trust officer and elected Dorothy E. Hahn and Robert Leinart to assistant cashiers.

DAVENPORT: Philip D. Adler, who retired December 1 as publisher of the Times-Democrat, has been named a director of Davenport Bank and Trust Co. Mr. Adler's late father, E. P. Adler, served as president of the bank from 1932 to 1941.

DAVENPORT: Funeral services were held recently for Joseph Sirota, 74. He held principal interests in the First Trust & Savings Bank, Wheatland. He owned and operated the State Furniture Co., with stores in Davenport, East Moline, Geneseo and Muscatine. Mr. Sirota was born in Russia.

DES MOINES: The Iowa Bankers Association will hold its Council meeting on Friday, January 8 in Des Moines.

DES MOINES: Collin Fritz, Iowa Supt. of Banking, has announced that Howard K. Hall has been named deputy superintendent of banking, and William C. Hess has been named

assistant to the superintendent. Duties of the deputy superintendent will be realigned so that both men will share major responsibilities.

Holmes Foster resigned at year-end to join Banks of Iowa, Inc.

GARNER: Halbert Pollock retired recently as assistant cashier of the Hancock County National Bank.

OCHEYEDAN: E. C. Spengler, president of Ocheyedon Savings Bank, reports the retirement of R. G. Ray Rhodes, cashier, after 35 years. He will continue as a director. B. D. Spengler has been elected cashier, and Garrett Post has been advanced to assistant vice president and secretary. C. E. Spengler will continue as chairman and chief executive officer.

NEBRASKA NEWS

BROKEN BOW: T. A. Forsyth has been advanced from executive vice president to president of the Nebraska State Bank, succeeding C. A. Owen, who will become chairman of the board. T. L. Armbruster has been elected executive vice president.

CAIRO: Funeral services were held recently for Wayne S. Sorensen, 51, president of the State Bank of Cairo. Associated with the bank since 1947, Mr. Sorensen apparently died of a heart attack.

ILLINOIS NEWS

NILES: A permit to organize has been issued to a group of applicants to establish the Dempster Plaza State Bank by the Commissioner of Banks and Trusts.

Total capitalization will be \$1,000,000 with capital \$400,000; surplus, \$400,000 and reserves, \$200,000. Par value will be \$10.

To be located in the Dempster Plaza Shopping Center, organizers include: Harry E. Sackerson, Palos Heights; Fred C. Griffiths, Park Ridge; Charles Kimball, Chicago; Robert J. Wilson, Naperville, and Donald N. Brown, Northbrook.

NORTH AURORA: Paul H. Reed has been named to the newly-created post of executive vice president of The Bank of North Aurora. He has been serving the Bank of North Aurora as vice president and cashier since May, 1970. He will continue to hold the post of cashier, as well as his new position.

MINNESOTA NEWS

MINNEAPOLIS: David M. Lilly of St. Paul has been appointed chairman of the board of the Federal Reserve Bank of Minneapolis. Mr. Lilly is chairman of the board of Toro Manufacturing Co. He succeeds Robert F. Leach, St. Paul attorney, deceased.

Russell B. Hart, department store executive from Billings, Montana, and Bruce B. Dayton, chairman, Dayton-Hudson Co., Minneapolis, were elected public directors. Mr. Dayton will serve as deputy chairman of the bank's board.

MINNEAPOLIS: John L. Erickson has been elected vice president and controller of the First National Bank of Minneapolis. He has been treasurer-controller of First Computer Corp. in St. Paul.

MINNEAPOLIS: National City Bank has made the following promotions and appointments: Richard Hoyland to vice president, investments, trust department; Patrick Finley, to assistant vice president; commercial banking; Michael Kelley to commercial loan officer; Daryl Bach to auditor, and Thomas Freed to comptroller.

ST. PAUL: Lance J. Johnson, chairman of the Commerce Commission, announced that the Commission has set February 8, 1971, as the hearing date for the application of the New Hope State Bank, which was filed with the Commerce Commission on

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December 15, 1970. In making the announcement, Chairman Johnson stated that the hearing on February 8, 1971, will be a full hearing with the presentation of testimony and witnesses by both the applicants and any objectors. He said that according to Commerce Commission records, this is the first time since the application of Valley State Bank of Oslo, Minnesota, on November 27, 1963, and the subsequent full hearing on January 22, 1964, that the Commerce Commission has been in a position to hold a full hearing within 60 days of receipt of an application as required by Minnesota Statutes.

SAVAGE: Obert Udem, president, Savage State Bank, has announced new banking hours, extending from 7 A.M. to 7 P.M. The bank has recently installed a Tel-Air drive-up system.

BARNESVILLE: Controlling interest in the First National Bank was sold recently by several stockholders to Barnesville Investment Corporation. Principal owners of the corporation are James L. Durham, Hugo V. Olson and R. H. Tallman whose purchase of controlling interest in the bank was announced earlier in the October 12 issue. It was incorrectly stated in the December 21 issue that the sale had been made "to George H. Felde, Barnesville Investment Corporation." Mr. Felde is a vice president of the bank and was one of the officers selling all of his stock except qualifying shares as a director.

MONTANA NEWS

GREAT FALLS: John F. Tierney has been elected trust officer of Central Bank of Montana. He was recently associated with Morgan Guaranty Trust Co., New York.



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HANLONTOWN: Clarence Dettmann, cashier, Continental National Bank, retired recently after 20 years with the bank. He started his career with Farmers State Bank, Heil, N. D. in 1926.

WYOMING NEWS

CASPER: Donald J. Swanton has been elected vice president and trust officer of the First National Bank, Casper. He has been with the bank since 1964. He succeeds Richard Corbridge, who resigned to accept a trust position in Tucson, Ariz.

CHEYENNE: Ralph L. Owen, president of First Cheyenne State Bank, has announced the promotion of J. Rich Richmeier to assistant cashier. He serves in both the operations and instalment lending areas of the bank.

JACKSON: Paul L. Howes, agent for the organizers of the proposed new First National Bank of Jackson Hole, has named three new directors. They are: C. H. Carpenter, president, Crystal Springs Inn in Teton Village; Ab Garaman, operator of two western stores in Jackson, and Dr. Dennis Lyman, local dentist.

We Wish You A

Happy New Year

Malcolm Freeland

Ben Haller, Jr.

Dexter Sidney

Dick Stumbo

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The NORTHWESTERN BANKER

Final action on the application for the new national bank is not expected until this spring.

Organizers of the new bank include: Carlin T. Smith, Sol W. Bernstein, K. L. McShane, M.D., William C. Allen, and Mr. Howes, all of whom are residents of Cheyenne.

COLORADO NEWS

AURORA: Applications for national bank charters for two proposed Aurora banks have been denied in Washington, D.C., by the U. S. Comptroller of the Currency, and a new application has been filed for a proposed national bank in Broomfield.

The rejected applications were for the proposed East Colorado National Bank and the First National Bank of Aurora.



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Bob Selby

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ABA President Foresees Economic Upturn in 1971

Clifford C. Sommer, president of The American Bankers Association, has predicted that this year will produce a gradual upturn that should set the stage for more rapid economic growth during the balance of the '70s.

"Prospects for the economy are considerably brighter than they were a year ago," Mr. Sommer said, "when the major task confronting national policymakers was to curb inflation without causing recession."

The ABA president, in a year-end summation, said inflation now appears to be receding while real output and income are slowly gaining.

Mr. Sommer, who also is president, Security Bank and Trust Company, Owatonna, Minn., said wage settlements that outstrip productivity gains may produce the most difficult economic problem that will confront the nation next year. He noted that recent wage settlements in the auto industry may provide a pattern for a number of other industries at a time when monetary policy appears to

be overcoming excessive demand.

He said a key economic factor in 1971 will be the consumer, whose relatively slow rate of spending and hesitancy to assume new installment debts "has contributed substantially to the recent state of uncertainty."

However, consumer sluggishness has served to relieve financial burdens that were shouldered by many potential buyers and to help restore liquidity, indicating the rate of consumer spending should begin to improve next year, Mr. Sommer added.

NASSB Announces Name Change

The National Association of Supervisors of State Banks (NASSB) changed its name to the Conference of State Bank Supervisors (CSBS), effective January 1, 1971.

The organization said the new name will convey more clearly and concisely the organization's primary function

LA SALLE MOVES AHEAD
LaSalle National Bank, Chicago, has installed a Centrex telephone system to give you better service. You may now dial direct to Max Roy and Cy Kirk on their new number (area code 312) 443-2774. Of course, Max Roy may still be reached in Iowa City (319/338-5224) and Cy Kirk in Rockford (815/398-9521). Their home stamping ground remains the same - LaSalle National Bank, 135 South LaSalle Street, Chicago, Ill. 60690.

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