#### LARSEN MICHAEL K

Form 4

February 15, 2008

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB Number:

3235-0287

0.5

January 31, Expires: 2005

**OMB APPROVAL** 

Estimated average

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if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

Check this box

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

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * LARSEN MICHAEL K			2. Issuer Name <b>and</b> Ticker or Trading Symbol BANNER CORP [BANR]	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
10 SOUTH FIRST AVE			(Month/Day/Year) 02/14/2008	Director 10% Owner _X Officer (give title Other (specify below)  Executive VP, Banner Bank			
(Street)			4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line)			
WALLA WA	ALLA, WA	99362		_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State)	(Zip) Tal	ble I - N	lon-	Derivative S	Securi	ties Acquire	d, Disposed of, o	r Beneficially	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr.	8)	onDisposed of (Instr. 3, 4	of (D) and 5) (A) or		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)
Common Stock, \$.01 par value per share	12/12/2007		Code	V	Amount	(D)	Price \$ 29.705	40	D	
Common Stock, \$.01 par value per share	12/28/2007		G	V	2,250	D	\$ 28.91	100,697 (1)	D	
Common Stock,	02/14/2008		A		619.563	A	\$ 24.1185	101,317 (3)	D	

\$.01 par value per share (2)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

# 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. Transacti Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ate	7. Titl Amou Under Securi (Instr.	nt of lying	8. Price of Derivative Security (Instr. 5)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

### **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

LARSEN MICHAEL K 10 SOUTH FIRST AVE WALLA WALLA, WA 99362

Executive VP, Banner Bank

### **Signatures**

/s/Michael K. Larsen 02/15/2008

\*\*Signature of Date Reporting Person

## **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) Includes direct ownership of 3,228 shares through IRA, 40,562 shares through Deferred Compensation Plan and 12,644 shares through Employee Stock Ownership plan. Also includes indirect ownership of 2,752 shares through spouse's IRA.
- (2) Acquired pursuant to deferred compensation agreement; settled in stock at termination of service.

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(3) Includes direct ownership of 3,228 shares through IRA, 41,182 shares through Deferred Compensation Plan and 12,644 shares through Employee Stock Ownership plan. Also includes indirect ownership of 2,752 shares through spouse's IRA.

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.