BANNER CORP
Form 3
January 28, 2008

FORM 3

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

OMB APPROVAL	
OMB Number:	3235-0104
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Â WAGERS GARY W
(Last) (First) (Middle)

10 SOUTH 1ST AVENUE
(Street)

WALLA WALLA,Â WAÂ 99362
(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
01/22/2008

3. Issuer Name **and** Ticker or Trading Symbol
BANNER CORP [BANR]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Executive Vice President

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1.Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, par value $.01 per share	2,363 (1)	D	Â

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

SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of			

				Shares		(I) (Instr. 5)	
Option to buy Common Stock	Â (2)	09/30/2012	Common Stock, par value $.01 per share	6,000	$ 20.015	D	Â
Option to buy Common Stock	Â (3)	03/26/2013	Common Stock, par value $.01 per share	2,000	$ 15.67	D	Â
Option to buy Common Stock	Â (4)	12/16/2014	Common Stock, par value $.01 per share	2,000	$ 31.71	D	Â
Phantom Stock Units (5)	Â (6)	Â (6)	Common Stock, par value $.01 per share	3,500	$ 38.54 (7)	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WAGERS GARY W 10 SOUTH 1ST AVENUE WALLA WALLA,Â WAÂ 99362	Â	Â	Â Executive Vice President	Â

Signatures

/s/Gary W. Wagers	01/28/2008
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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 indirect ownership of 975 shares through Deferred Compensation Plan and 1,188 shares through Employee Stock Ownership Plan.

(2) Reflects grant of 6,000 options on September 30, 2002, which are exercisable at rate of 20% per year beginning September 30, 2003.

(3) Reflects grant of 2,000 options on March 26, 2003, which are exercisable at rate of 20% per year beginning March 26, 2004.

(4) Reflects grant of 2,000 options on December 16, 2004, which are exercisable at rate of 20% per year beginning December 16, 2005.

(5) Award of Phantom Stock Units under the Banner Corporation Long-term Incentive Plan.

(6) Award vests on July 1, 2011. Each unit will be settled upon separation from service, at a specified time or upon 60 months of continuous service as determined by the participant.

(7) Market price on July 1, 2006. Upon vesting, phantom stock units settle in cash at the value in excess of the value as of the grant date, plus dividends.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.
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