

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934
Amendment No. 12

(A fee is not being paid with this statement)

LATTICE SEMICONDUCTOR CORPORATION

(Issuer)

COMMON SHARES

(Title of Class of Securities)

518415104

(Cusip Number)

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

John P. Elterich
Investment Department
State Farm Insurance Companies
One State Farm Plaza
Bloomington, IL 61710
(309) 766-9835

13G

1. Name of Reporting Person and I.R.S. Identification No.:
State Farm Mutual Automobile Insurance Company 37-0533100
2. Member of a Group: (a) _____ (b) X
3. SEC USE ONLY:
4. Citizenship or Place of Organization: Illinois
5. Sole Voting Power: 1,625,000
6. Shared Voting Power: 0
7. Sole Dispositive Power: 1,625,000
8. Shared Dispositive Power: 0
9. Aggregate Amount Beneficially Owned by each Reporting person: 1,625,000

10. Check Box if the Aggregate Amount in Row 9 excludes Certain Shares: _____

11. Percent of Class Represented by Amount in Row 9: 6.93 %

12. Type of Reporting Person: IC

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Item 1(a) and (b). Name and Address of Issuer:

LATICE SEMICONDUCTOR CORPORATION
5555 NE MOORE COURT
HILLSBORO, OR. 97124-6421

Item 2(a). Name of Person Filing: State Farm Mutual Automobile Insurance

Company and related entities; See Item 8
and Exhibit A

Item 2(b). Address of Principal Business Office: One State Farm Plaza

Bloomington, IL 61710

Item 2(c). Citizenship: United States

Item 2(d) and (e). Title of Class of Securities and Cusip Number: See above.

Item 3. This Schedule is being filed, in accordance with 240.13d-1(b).

See Exhibit A attached.

Item 4(a). Amount Beneficially Owned: 1,625,000 shares on 12/31/1998

Item 4(b). Percent of Class: 6.93 percent pursuant to Rule 13d-3(d)(1).

Item 4(c). Number of shares as to which such person has: The persons

identified in Exhibit A hereto have sole power to vote or to
direct the vote and to dispose or to direct the disposition of all
shares reported hereby.

Item 5. Ownership of Five Percent or less of a Class: Not Applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person: N/A

Item 7. Identification and Classification of the Subsidiary Which Acquired
the Security being Reported on by the Parent Holding Company: N/A

Item 8. Identification and Classification of Members of the Group:

See Exhibit A attached.

Item 9. Notice of Dissolution of Group: N/A

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Item 10. Certification. The undersigned certify that, to the best of his knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purpose or effect.

Signature. After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

01/28/1999

STATE FARM MUTUAL AUTOMOBILE

Date

INSURANCE COMPANY

STATE FARM LIFE INSURANCE COMPANY

STATE FARM FIRE AND CASUALTY
COMPANY

STATE FARM INSURANCE COMPANIES
EMPLOYEE RETIREMENT TRUST

STATE FARM INVESTMENT MANAGEMENT
CORP.

STATE FARM INSURANCE COMPANIES
SAVINGS AND THRIFT PLAN FOR
U.S. EMPLOYEES

STATE FARM GROWTH FUND, INC.

STATE FARM BALANCED FUND, INC.

/s/ Paul N. Eckley

Paul N. Eckley, Fiduciary of
each of the above

Paul N. Eckley, Vice President
of each of the above

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EXHIBIT A

This Exhibit lists the entities affiliated with State Farm Mutual Automobile Insurance Company which might be deemed to constitute a "group" with regard to the ownership of shares reported herein. By way of explanation, State Farm Mutual Automobile Insurance Company is the parent of wholly owned subsidiaries, State Farm Life Insurance Company, which is the parent of the wholly owned subsidiary State Farm Life and Accident Assurance Company, and State Farm Fire and Casualty Company, which in turn is the parent of the wholly owned subsidiary State Farm Investment Management Corp. State Farm Investment Management Corp. acts as the investment advisor to State Farm Growth Fund, Inc. and State Farm Balanced Fund, Inc. The Investment Committees of the Board of Directors of each of the insurance companies and of the State Farm Investment Management Corp. and the Trustees of the State Farm Insurance Companies Employee Retirement Trust and State Farm Insurance Companies Savings and Thrift Plan for U.S. Employees are vested with the responsibility for investing the assets of the companies, the Funds, the Trust, and the Equities Account and the Balanced Account of the State Farm Insurance Companies Savings and Thrift Plan for U.S. Employees. State Farm Mutual Automobile Insurance Company employs all personnel of the Investment Department. State Farm Investment Management Corp. has a written agreement with State Farm Mutual Automobile Insurance Company whereby the Investment Department personnel assist State Farm Investment Management Corp. in its duties as investment advisor to the Funds. Investment actions taken by the Investment Department are ratified by the Investment Committees of the Boards of Directors of the insurance companies and the Management Corporation and by the Trustees of the Trust and the Plan. Certain members of the Investment Department also execute voting proxies from time to time but in situations where a vote contrary to that of management on a major policy matter is under consideration, approval of the Investment Committees of the Boards of Directors of the Companies involved is first obtained.

Pursuant to Rule 13d-4 each person listed in the table below expressly disclaims "beneficial ownership" as to all shares as to which such person has no right to receive the proceeds of sale of the security and disclaims that it is part of a "group".

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Name	Classification Under Item 3	Number of on Proceeds on Proceeds of Sale
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State Farm Mutual Automobile Insurance Company	IC	1,625,000 shares
State Farm Life Insurance Company	IC	0 shares
State Farm Life and Accident Assurance Company	IC	0 shares
State Farm Fire and Casualty Company	IC	0 shares
State Farm Investment Management Corp.	IA	0 shares
State Farm Growth Fund, Inc.	IV	0 shares
State Farm Balanced Fund, Inc.	IV	0 shares
State Farm Insurance Companies Employee Retirement Trust	EP	0 shares
State Farm Insurance Companies Savings and Thrift Plan for U.S. Employees	EP	
Equities Account		0 shares
Balanced Account		0 shares

		1,625,000 shares