

**House Agriculture Subcommittee on General Farm
Commodities and Risk Management
Hearing on Federal Crop Insurance
Testimony of Gary Iverson, Great Northern Growers Cooperative
May 14, 2007**

Mr. Chairman and members of the Committee:

It is an honor to be here today to talk about an oilseed that has the potential to dramatically improve the rural economies of many Western states and help our country achieve energy independence. That oilseed is camelina, and it can be used as a feedstock to produce biodiesel, just like canola, sunflower seeds or soybeans.

My name is Gary Iverson and I am the Executive Director of the Great Northern Growers Cooperative in Sunburst, Montana. Our cooperative is dedicated to working with agricultural producers to market value-added agricultural commodities which are adapted to Montana conditions and provide economic development to our state. My story relates to Montana, but it could equally apply to Minnesota, Washington, Oregon, Colorado, Utah, Nebraska, North Dakota or South Dakota, all of whom have growing conditions well suited to camelina.

Camelina, a member of the mustard family, is a summer annual oilseed crop. It is also known as False Flax or Gold of Pleasure. The seed was widely grown in Eastern Europe from ancient times until the 1940's when it was replaced by canola.

Soybeans, sunflower, and canola are the main oilseed crops grown in temperate climates in the United States and are the principal feedstocks currently used to produce biodiesel. These oilseed crops are not suitable to marginal lands with low moisture, low fertility, or higher Ph soils. For example, soybeans are ideally suited to the Corn Belt, but are not well adapted to arid, northern and Rocky Mountain states..

In recent years, farmers have shown increased interest in growing sustainable crops with reduced requirements for fertilizer, pesticides, and energy input that can be used for both food and fuel production. Camelina is that crop. It requires minimal inputs and is well suited to marginal soils, arid climates, and lower soil-fertility.

Camelina can be grown as a dry-land crop using minimal till. Camelina production can be limited by high humidity – weather that is virtually unknown in Montana –which causes downy mildew, the only significant disease of camelina. Grown in areas with high moisture and high fertility soil, oilseeds like canola will out yield camelina. However, under dry land conditions, camelina yields will be nearly double that of canola.

Camelina is of particular interest to bio-fuel manufactures because of the low cost of production. It may also be an effective biofuel for cold climates, as the cloud point of camelina oil is 10 to 15 degrees lower than soybean or canola.

Camelina production is rapidly increasing in the northern Great Plains. Montana is currently the largest producer of camelina in the world. Last year 10,000 acres were grown in the state. This year, that number will expand to 50,000 acres. The number of acres grown in Montana and other states will continue to grow rapidly as the demand for biodiesel continues to increase.

There are two roadblocks to getting farmers to move acreage into camelina production.

The first challenge is that there are currently no labeled pesticides available to control weeds and pests. This barrier will be resolved as advances are made to selectively breed more resilient varieties of camelina and as pesticide manufacturers move the appropriate products into the market.

The bigger challenge is the lack of Department of Agriculture safety net programs. I spend my days working with agriculture producers, educating them about the potential markets for this exciting new energy crop. No matter how great the promised return on investment might be, the lack of crop insurance is a major roadblock to new crop acceptance. Farmers have trouble getting their banker to support loans for crops without crop insurance. Farmers are also hesitant to move away from a crop with a long track record and the full bundle of USDA program support to a new crop with no safety net whatsoever.

Montana's Governor, Brian Schweitzer, recently referred to camelina as his new girlfriend. As our country works to develop home-grown sources of clean, renewable fuels, we believe states like Montana can substantially contribute to energy feedstock production. In fact, we project that camelina will surpass one million acres in Montana in the next few years. In order to achieve this benchmark, Montana farmers need risk protection and support from Farm Services Agency and other state and federal agencies.

Camelina is a new crop. It doesn't have the sort of yield and price data that is required to obtain Federal crop insurance under the normal process – a process that I understand takes many years to navigate. Congress can best promote the increased production of renewable fuels, by instituting a targeted program administered by the Department of Agriculture that provides the needed safety net to growers in the short term to allow this industry to take root and deliver on the promise of energy independence.

Thank you,

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name: Gary W Iverson
Address: 1 Railroad Ave., Box 99
Sunburst, MT 59482
Telephone: 406 937 4000 406 450 1106

Organization you represent (if any): Great Northern Growers Cooperative

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2004, as well as the source and the amount of each grant or contract. House Rules do **NOT** require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: _____ Amount: _____

Source: _____ Amount: _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2004, as well as the source and the amount of each grant or contract:

Source: USDA-SBIR 2005-00422 Amount: \$80,000

Source: USDA-SBIR 2006-33610-17599 Amount: \$296,000

Please check here if this form is NOT applicable to you: _____

Signature:  _____

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.

Gary W. Iverson

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Academic Background

Montana State University Bozeman BS Agronomy 1968

Professional Licenses

American Society of Agronomy, Certified Crop Advisor #33593
Montana Department of Agriculture, Commercial Pesticide Applicator / Dealer
#16292-12, #100194-10

USDA Technical Advisor

Academic Experience

Sunburst High School Science Team Advisor, "State Champions"

Technical and Specialized Skills

Build and Manage Certified Cereal Seed Conditioning Facility
Marketing, Testing and Design Case Concord Air Till Drill
Contract, Agronomy, Condition and Market Bird Seed and other Specialty Crops
Grain Merchandizing, Agronomy, Grower Marketing Advisor, General Mills Inc.
Transportation Services Rail, Truck, Intermodal, Domestic and International
Operate Family Grain and Cattle Company

Professional Honors

Charter Director Western Triangle Research Center, Conrad Montana
President Montana Seed Trade Association
President Coutts-Sweetgrass Lions Club
Mayor, Town Of Sunburst

Professional Development

Montana State University Great Falls- Computer Science, Word, Excel, Access
Montana State University Crop and Pest Management School

Grants

Administered and assisted in writing grants from DNRC, CTEP and CDBG for the Town of Sunburst

Write and Administer Montana Growth Through Agriculture for PrOatina - Great Northern Growers

Co-write and Administer USDA Rural Business Enterprise Grant for PrOatina – Great Northern Growers

Co-write and Project Manager USDA SBIR 2005-00422 Camelina Sativa: a multiuse oil crop for biofuel, omega-3 cooking oil, and protein/oil source for animal feed.

Co-write and project Manager USDA SBIR Phase II Camelina sativa, Launching a New Oilseed Crop, Could Gold of Pleasure be Montana's Soybean?

Service

-Lutheran Church of Sunburst; Coutts Sweet Grass Lions Club; Sunburst Swimming Pool Fund

Academic/Research Interests

Agronomically suited crops for Montana
Gluten Free Crops; Health and nutrition issues

Affiliations

American Society of Agronomy