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## **Habitat another hot button for Palin**

By Stefan Milkowski  
For Sarah takes on Big Oil

PHOTO CUTLINE: Gov. Sarah Palin

Even before Sarah Palin took office in late 2006, she faced a hot-button development issue in how the state handled wildlife protection. Her predecessor, Gov. Frank Murkowski, had moved the permitting functions of the state's Division of Habitat and Restoration from the Department of Fish and Game to the Department of Natural Resources, or DNR, by executive order in February 2003.

Murkowski, who also transferred the office of coastal management to DNR, said at the time that his goal was to streamline the permitting process to encourage resource development. To revitalize the resource industries, he said in his first state of the state address the month before, "We have to remove the obstacles over which we have control."

Murkowski was also frustrated that the division had blocked a handful of projects, including a proposed golf course in Juneau and a hydroelectric project near the Taku River, according to the Associated Press.

### **Habitat set up flawed, says Irwin**

**PULL:** The new organization under DNR forced habitat specialists to look for solutions to permitting hurdles, Irwin said.

"The organization was set up so a company could readily be told, 'No,'" said Tom Irwin, who served as Natural Resources Commissioner under Murkowski and Palin. The new organization under DNR forced habitat specialists to look for solutions to permitting hurdles, he said.

Although the specialists' duties remained the same under the new Office of Habitat Management and Permitting, the switch was controversial from the beginning. Republican leaders in the Alaska Legislature supported the move, but former Fish and Game commissioners opposed it, according to press reports from the time. Conservation organizations argued the switch was unwarranted and eliminated a system of checks and balances between the two departments.

### **Palin promises review of habitat move**

The move became an issue during the gubernatorial race three years later in 2006. Palin, who ran against Murkowski in the Republican primary, promised to review the issue if elected. "I would like to see it go back to where it was," she said at a forum hosted by the Alaska Conservation Voters. "Certainly when I get in there, I

will be talking to those who are in the field, those who know more than I do about the pros and the cons.”

In December 2006, the same month Palin was sworn in, the Alaska Board of Fisheries, the citizen-run panel that manages the state’s fisheries, voted unanimously to request that Palin switch habitat back to Fish and Game, according to press reports.

Palin responded in early February 2007 that she had reviewed the work of the Office of Habitat Management and Permitting and decided to leave habitat functions in DNR. Then, a few days later, Palin agreed to take another look at the issue.

### **Pebble mine becomes an issue**

In the background loomed the prospect of a giant copper-gold mine at the Pebble deposit in southwest Alaska. A team of outdoors groups, environmental organizations, local residents, and others started to fight the project before permitting even began.

Palin was not pro- or anti-Pebble, but argued the state’s permitting process should be allowed to work. But public opposition to the project was significant, and opponents went at the mine by challenging the permitting process, first through legislation introduced in the Alaska Legislature, and later through a series of ballot initiatives.

Rep. Les Gara, a Democrat from Anchorage and avid fisherman, sponsored separate legislation that would have transferred the habitat responsibilities back to Fish and Game.

“With significant projects on the horizon, like the Pebble open pit mine, the public should be confident that the Habitat Division’s functions remain independent and uncompromised,” he wrote in a sponsor statement.

### **Pebble’s developers want habitat moved back**

Pebble’s developers agreed. In an October letter to Palin, Bruce Jenkins, then manager of the Pebble Limited Partnership, expressed concern over the public perception that the division was “somehow compromised by its position in the regulatory structure.”

“The partnership believes that the Pebble Project, as well as resource development projects generally, would benefit from a resolution to this controversy,” he wrote. In November, supporters of a ballot initiative received permission to start gathering signatures. Then, on Feb. 1, 2008, Gara’s bill moved out of its first committee of referral, the House Fisheries Committee.

### **Palin orders habitat moved back to Fish and Game**

Four days later, on Feb. 5, Palin announced that after an extensive review of the issue, she had decided to switch habitat back to Fish and Game. In explaining her rationale for the switch, Palin offered that the habitat functions were better aligned with the mission and structure of Fish and Game, and that switching back would avoid duplication of certain tasks.

But Palin offered no direct criticism of the DNR's handling of habitat protection, and Irwin and Fish and Game Commissioner Denby Lloyd both stated that Alaska's natural resources had not been harmed by Murkowski's decision.

"It was working great," said Rich Hughes, who tracks mining for the state's Department of Commerce. "It's just that it was an expedient thing to do given the circumstances. I think it was smart on her part."

The transfer became effective July 1, and the DNR's Office of Habitat Management and Permitting became the Division of Habitat at Fish and Game. Anchorage offices were moved in May, and Juneau offices in September. The division has roughly 40 employees.

### **Irwin explains move helped ease public concerns**

Irwin said later the move was not made for "public perception" or because of the Pebble project, but he acknowledged that switching the division back helped ease public concerns.

"You also want Alaskans to have faith in the process," he said.

Irwin said he concurred with Palin's decision, but added that he was always free to discuss all aspects of an issue with her, including those she disagreed with.

As for Palin's philosophy on resource development and environmental protection, Irwin said her principles echoed his own. "We support resource development—that's our kids' and grandkids' future, so they can have careers and support their families," he said. "But we equally support the Alaskan environment. We have to do both, and both are doable."