

MEMORANDUM OF CALL

Previous

TO *CR*

YOU WERE CALLED BY  YOU WERE VISITED BY

*Gabby Hartnett*

OF (Organization) *Vol Dept USA*

PLEASE PHONE  FTS  AUTOVON

*535-8700*

WILL CALL AGAIN  IS WAITING TO SEE YOU

RETURNED YOUR CALL  WISHES AN APPOINTMENT

MESSAGE

*Bob met  
and to say  
Gabe will call you  
about  
appointment*

RECEIVED BY

*[Signature]*

DATE

*9/27*

TIME

*12:00*

THE WHITE HOUSE  
WASHINGTON

September 27, 1993

*file VA: Agent  
Orange*

MEMORANDUM FOR GABBY HARTNETT, CHIEF OF STAFF  
DEPARTMENT OF VETERANS' AFFAIRS

FROM: *CR* Carol H. Rasco, Assistant to the President for  
Domestic Policy

SUBJECT: Fax received on Friday

I received the fax late Friday relating to the Agent Orange issue. I did, as requested by your office, try to call Linda Kaufman over the weekend to discuss it but received no answer.

I have serious concerns about the budget implications of this matter and have talked with Belle Sawhill of OMB this morning. I understand she is in discussions with Rich Pell on the matter. Until these discussions with OMB are resolved I cannot give clearance from here.

Thank you. Please do not hesitate to call if there are further questions.

cc: Belle Sawhill, OMB

*Confirmed fax receipt  
for both Sawhill  
& Hartnett 9/27/93  
ram*

TO: Gabby Hartnett

SUBJ: Fax received on Friday

I received the fax late Friday relating to the Agent Orange issue. I did, as requested by your office, try to call Linda Kaufman over the weekend to discuss it but received no answer.

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Thank you. Please do not hesitate to call if there are further questions.

cc: Belle Sawhill, OMB

Carol -

As discussed, please respond over the weekend to Linda Kaufman @ Veterans Affairs. (~~301~~) 934-3155.

Roz



OFFICE OF THE SECRETARY  
DEPARTMENT OF VETERANS AFFAIRS

TELEFAX TRANSMISSION COVER SHEET

DATE: September 24, 1993

TO: Carol Rascoe

FAX NUMBER: 456-2878

FROM: Gabby Hartnett, Chief of Staff  
Department of Veterans Affairs  
Office of the Secretary

PHONE: 202/535-8650 FTS: 8/535-8650

FAX: 202/535-8667 FTS: 8/535-8667

Number of pages, including FAX cover sheet 5

COMMENTS: For you information and comments, if warranted. This determination has been shared with OMB and we are awaiting clearance from them. The Secretary must make a decision by Monday.

*Rich Reil*



THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

DRAFT

002

LK to  
JCB

The Honorable G.V. (Sonny) Montgomery  
Chairman, Committee on Veterans' Affairs  
House of Representatives  
Washington, D.C. 20515-6335

Dear Mr. Chairman:

The Agent Orange Act of 1991 required that I make a number of decisions with respect to matters addressed by the National Academy of Sciences' (NAS) Institute of Medicine in its July 27, 1993 report, "Veterans and Agent Orange: Health Effects of Herbicides Used in Vietnam." I am very pleased to notify you of my decisions.

To assist me, I empaneled a high-level task force, chaired by the Assistant Chief Medical Director for Environmental and Public Health, and including the Under Secretary for Health, the General Counsel, and the Deputy Under Secretary for Benefits. A copy of the task force's recommendations, all of which I have approved, is enclosed.

As you will recall, upon release of the NAS report I promptly announced VA would propose rules to provide legal presumptions of service connection for each of the five disease classifications for which NAS had found "sufficient evidence" of an association with exposure to herbicides used in Vietnam. This means that Hodgkin's disease and prophyria cutanea tarda (PCT) will join soft-tissue sarcoma, non-Hodgkin's lymphoma and chloracne as diseases for which service connection may be presumed if suffered by exposed individuals. As is already the case with chloracne, our proposal will be for the presumption to apply to PCT which became manifest within one year following exposure.

Of the three diseases for which NAS found "limited/suggestive" evidence of an association, I have determined that two-- respiratory cancers and multiple myeloma-- meet



*Putting Veterans First*

2.

The Honorable G.V. (Sonny) Montgomery

the statutory definition of "positive association" and accordingly will propose rules to presume service connection in exposed individuals. For reasons explained at page 15 of the task force report, my proposal is to require that respiratory cancers arise within 35 years after exposure in order to be presumed service connected. It is also important to note that all presumptions adopted by reason of the Agent Orange Act are subject to rebuttal by evidence establishing occurrence of known intercurrent causes.

With respect to the other diseases covered in the NAS report, I have determined a positive association has not been established, i.e. the credible evidence for an association is currently outweighed by the credible evidence against an association. I am requesting, however, that NAS focus particularly on the evidence regarding prostate cancer and peripheral neuropathy in its next review.

Sections 6 through 9 of the Act do not take effect if I notify the Committees on Veterans' Affairs within 90 days of the initial NAS report that they would not be feasible, cost-effective, or likely to contribute materially to the body of scientific knowledge concerning the human health effects of exposure. For the reasons described at pages 34 and 35 of the task force report, I hereby notify you I have determined it would not be cost-effective or likely to advance scientific knowledge to undertake the blood and tissue archiving proposed in section 7 or the blood testing proposed in section 9. In the event these prove to be components of specific, well-designed studies, I would certainly reconsider.

In its report, the NAS addressed certain other research-related proposals. First, the NAS recommended that a new and expanded protocol be developed for the Chemical Corps Vietnam Veterans Study to make it similar to the Air Force Ranch Hand Study in all respects. The task force recommended that a more cost-effective approach be pursued. Specifically, it recommended making certain changes to the existing study protocol that would expand the study's scope but would not require the extensive in-person medical examinations required by the Air Force Ranch Hand Study.

3.

The Honorable G.V. (Sonny) Montgomery

Further, it recommended the adoption of the NAS proposal that the study be reviewed and monitored by an independent, non-governmental scientific panel. I have accepted the task force's recommendations in this regard and efforts are now underway to implement them.

The NAS also recommended that Vietnam service be identified in the computerized index of VA's and the Department of Defense's records. As noted in the task force report, there is currently no central roster of veterans who served in Vietnam. The task force noted, however, that carrying out this recommendation would not be cost-effective as it would require a large expenditure of resources to search nine-million-plus records. It recommended instead that an initial effort be made using existing computerized/automated data bases of the Department of Defense and VA and to supplement these by asking those states which administered a bonus program for Vietnam veterans to share with us the names of those veterans who participated. Of the options presented to me concerning this recommendation, the recommendation of the task force seemed to me the most feasible. Accordingly, I have accepted it.

Third, the NAS recommended that biomarkers for herbicide exposure be developed further. The task force recommended, and I approved, close monitoring of the scientific literature in this area and solicitation of research proposals from VA research scientists who are engaged in research projects related to toxicokinetics or biomarkers of environmental chemicals.

Fourth, and perhaps most significantly, NAS recommended that a nongovernmental organization with appropriate experience in historical exposure reconstruction be commissioned to develop and test models of herbicide exposure to use in studies of Vietnam veterans. This tracks very closely recommendations by the American Legion and Vietnam Veterans of America. The task force recommended, and I approved, that NAS be asked to assist VA in carrying out this recommendation. The outcome of this effort will determine the extent to which VA and other government agencies can feasibly undertake an epidemiological study of

4.

The Honorable G.V. (Sonny) Montgomery

Vietnam veterans of the health consequences of exposure to herbicides in Vietnam. The task force recommended, and I approved, deferring any decisions on further epidemiologic research in this area pending a review of any exposure reconstruction model that may be developed.

I will continue to work closely with the Committee in addressing the justifiable concerns of herbicide-exposed veterans.

Sincerely yours,

Jesse Brown

JB/jht



*File*  
THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

*orig: Podesta  
xc of all: CHR*

August 20, 1993

AUG 20 REC'D

MEMORANDUM FOR: CAROL H. RASCO, ASSISTANT TO THE  
PRESIDENT FOR DOMESTIC POLICY  
FROM: *GH* Gabby Hartnett, Chief of Staff  
Department of Veterans Affairs  
SUBJECT: Section 707 of Public Law 102-585

At your request, Rudy DeLeon, Kevin Thurme and I have reached the consensus that the Secretary of the Department of Veterans Affairs should serve as the coordinator of federal research efforts related to health care for veterans of the Persian Gulf War. Public Law 102-585 requires that the President designate the coordinator. I have therefore attached the necessary decision memorandum for his approval. The plan of action that you requested will be forwarded to you shortly.

Thank you.

Attachment

cc: Rudy DeLeon  
Kevin Thurme  
Christine Varney

*I don't feel  
Pres. has to  
sign off on  
see orig. mem  
but what do  
we do to  
make the  
official  
"designation"?*



DEPARTMENT OF VETERANS AFFAIRS  
Washington DC 20420

AUGUST 20, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: Secretary of the Department of Veterans Affairs

SUBJECT: Public Law 102-585, Section 707

- I. ACTION-FORCING EVENT: Public Law 102-585, Section 707
- II. BACKGROUND/ANALYSIS: The law requires that the President designate "the head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War."

The Departments of Defense, Health and Human Services, and Veterans Affairs have agreed that the Secretary of Veterans Affairs should serve as the coordinator.

- III. RECOMMENDATION: Designation of the Secretary of Veterans Affairs as the coordinator.

- IV. DECISION:

Approve     Approve as amended     Reject     No action

THE WHITE HOUSE

WASHINGTON

August 10, 1993

MEMORANDUM FOR RUDY DELEON, CHIEF OF STAFF  
DEPARTMENT OF DEFENSE

KEVIN THURME, CHIEF OF STAFF  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

GABBY HARTNETT, CHIEF OF STAFF  
DEPARTMENT OF VETERANS AFFAIRS

FROM: Carol H. Rasco, ~~Assistant~~ Assistant to the President for  
Domestic Policy

SUBJECT: Section 707 of P.L. 102-585

Throughout recent weeks there has been a great deal of discussion back and forth between your departments and the White House regarding Section 707 of P.L. 102-585. This law calls for the designation of a "head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War."

I am requesting that the three of you (or your designees as you may choose) meet and recommend to me a consensus designation for the "head" as well as plan of action which allows for the appropriate involvement of all three departments.

I would appreciate a reply jointly signed by the close of business Wednesday, August 18.

Thank you very much for your cooperation.

cc: Christine Varney

THE WHITE HOUSE

WASHINGTON

TO: Roy Neel  
FROM: Carol H. Rasco *CHR*  
SUBJ: Director Brown's request  
DATE: June 21, 1993

Jesse Brown has asked through Christine Varney's office to be designated the coordinator of research activities undertaken by the Executive Branch on the health consequences of military service in the Persian Gulf. As I understand it, Section 707 of Public Law 102-585 requires the President to designate a person for this task.

In asking HHS to comment on this matter they have stated that HHS and Defense have carried out the research to date. They have also pointed out that there might be a conflict with Veterans doing the coordination since they determine compensation. Then with that knowledge made available to Director Brown's office they wrote back stating all the reasons HHS should not do it.

My suggestion is that I do a memo to the Chiefs of Staff for HHS, DoD, and Veterans asking that they all three work out among them the best solution. Christine originally asked Brown's office to work with HHS's Chief of Staff to work this out and they refused. My sense is that the agencies should be expected to work this out among themselves....do you have other thoughts on the process?

Thank you.

*Carol -*

*I absolutely agree. They should not expect the White House to settle this dispute - though we may ultimately have to do so -*

*R*



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

APR 8 1993

BUA  
Copy to  
Carol  
Rasco

The Honorable William J. Clinton  
The President  
The White House  
Washington, DC 20500

Dear Mr. President:

Section 707 of Public Law 102-585, the "Veterans Health Care Act of 1992," enacted November 4, 1992, requires the President to designate "the head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War."

I would be honored if you would designate me to coordinate all Persian Gulf related activities. The Department of Veterans Affairs (VA) has a critical role in serving the health care needs of Persian Gulf veterans who may have been adversely affected by their military experience. Because of this responsibility, VA must be knowledgeable of the most current research findings among the various departments and agencies involved in these investigations. My designation as coordinator of the research efforts would facilitate this important information gathering function.

Thank you for your consideration.

Respectfully,

*Jesse Brown*

Jesse Brown

JB/djr

This & the following materials  
were given to CRasco  
by C. Varney in late May.

11  
# 012546

THE WHITE HOUSE  
WASHINGTON

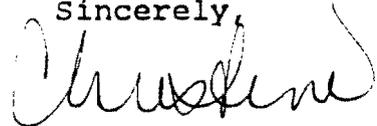
April 14, 1993

Dear Secretary Brown:

Thank you for your letter to the President requesting that he designate you to coordinate all federal government activity relating to the health consequences of military service in the Persian Gulf.

Your letter has been forwarded to the office of the President for his consideration.

Sincerely,



Christine A. Varney  
Secretary to the Cabinet

The Honorable Jesse Brown  
Secretary  
Department of Veterans Affairs  
801 Eye Street, N.W.  
Washington, D.C. 20001

THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: APRIL 13, 1993

NAME OF CORRESPONDENT: THE HONORABLE JESSE BROWN

SUBJECT: REQUESTS THAT THE PRESIDENT DESIGNATE HIM  
TO COORDINATE ALL PERSIAN GULF RELATED HEALTH  
ACTIVITIES

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION		DISPOSITION	
		ACT CODE	DATE YY/MM/DD	TYPE RESP	C. COMPLETED D. YY/MM/DD
CHRISTINE VARNEY		ORG	93/04/13	A	C93/04/14
	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: \_\_\_\_\_

MI MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

- \*\*\*\*\*
- |                          |                      |                      |   |
|--------------------------|----------------------|----------------------|---|
| *ACTION CODES:           | *DISPOSITION         | *OUTGOING            | * |
| *                        | *                    | *CORRESPONDENCE:     | * |
| *A-APPROPRIATE ACTION    | *A-ANSWERED          | *TYPE RESP=INITIALS  | * |
| *C-COMMENT/RECOM         | *B-NON-SPEC-REFERRAL | * OF SIGNER          | * |
| *D-DRAFT RESPONSE        | *C-COMPLETED         | * CODE = A           | * |
| *F-FURNISH FACT SHEET    | *S-SUSPENDED         | *COMPLETED = DATE OF | * |
| *I-INFO COPY/NO ACT NEC* |                      | * OUTGOING           | * |
| *R-DIRECT REPLY W/COPY * |                      |                      | * |
| *S-FOR-SIGNATURE         | *                    |                      | * |
| *X-INTERIM REPLY         | *                    |                      | * |
- \*\*\*\*\*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75, OEOB) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

② UA

94562878 P.02



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Office of the Assistant Secretary  
for Health  
Washington DC 20201

April 21, 1993

NOTE TO MS. CAROL RASCO

This responds to your request of April 20, 1993 regarding Secretary Brown's April 8 letter to the President about the designation of "the head of an appropriate department or agency of the Federal Government to coordinate all research activities. . . ."

We believe that the Department of Health and Human Services (HHS) is the most appropriate agency to coordinate this effort. To date, the Public Health Service (PHS) and the Department of Defense have carried out studies on the health consequences of military service in the Gulf War. The PHS effort was under the direction of Dr. Frank Young, then Deputy for Science and Environment in the Office of the Assistant Secretary for Health. If assigned to HHS these activities would now be under the direction of Dr. D.A. Henderson, who will be my Deputy for Science.

In addition, there might be a perception of conflict of interest were this study under the Veterans Administration because of its responsibility to compensate veterans who might have had service connected health affects in the Persian Gulf War.

*Phil/Ram*  
Philip R. Lee, M.D.  
Assistant Secretary for Health - Designate

Attachment

cc: Dr. D.A. Henderson



THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

APR 8 1993

The Honorable William J. Clinton  
The President  
The White House  
Washington, DC 20500

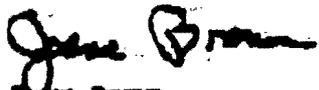
Dear Mr. President:

Section 707 of Public Law 102-585, the "Veterans Health Care Act of 1992," enacted November 4, 1992, requires the President to designate "the head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War."

I would be honored if you would designate me to coordinate all Persian Gulf related activities. The Department of Veterans Affairs (VA) has a critical role in serving the health care needs of Persian Gulf veterans who may have been adversely affected by their military experience. Because of this responsibility, VA must be knowledgeable of the most current research findings among the various departments and agencies involved in these investigations. My designation as coordinator of the research efforts would facilitate this important information gathering function.

Thank you for your consideration.

Respectfully,

  
Jesse Brown

JA/djr

① ✓

**Department of  
Veterans Affairs****Memorandum**

Date: May 21, 1993

From: Acting Assistant Secretary for Congressional Affairs

Subj: Designation of Coordinator for Health Related Research on the Persian Gulf War

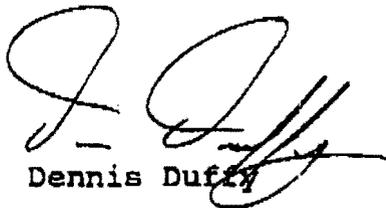
TO: Secretary

Public Law 102-585 requires the President to designate the head of a federal department or agency to coordinate all research activities undertaken or funded by the Executive Branch on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War.

On April 8, 1993, you sent a letter (copy attached) to the President suggesting that you be designated to coordinate these activities. I am not aware of any response to this letter.

Because there has been no designation yet, the first report on the status of Persian Gulf research efforts, which was to be submitted by the coordinator in March, has not been submitted.

It is very important that the designation be made before the June 9 House Veterans' Affairs Committee hearing on Persian Gulf veterans. Thus, I believe that the White House should act quickly on the designation of coordinating organization so that the necessary reports can be submitted to Congress. If you have the opportunity to do this in connection with the Cabinet meeting, please do.



Dennis Duffy

APR 8 1993

The Honorable William J. Clinton  
The President  
The White House  
Washington, DC 20500

Dear Mr. President:

Section 707 of Public Law 102-585, the "Veterans Health Care Act of 1992," enacted November 4, 1992, requires the President to designate "the head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War."

I would be honored if you would designate me to coordinate all Persian Gulf related activities. The Department of Veterans Affairs (VA) has a critical role in serving the health care needs of Persian Gulf veterans who may have been adversely affected by their military experience. Because of this responsibility, VA must be knowledgeable of the most current research findings among the various departments and agencies involved in these investigations. My designation as coordinator of the research efforts would facilitate this important information gathering function.

Thank you for your consideration.

Respectfully,

Jesse Brown

JB/djr

cc: 101B, 001B, 11

DISPATCHED

APR 8 1993

SECRETARY'S OFFICE



MAY 24 P2:00

OFFICE OF THE SECRETARY  
DEPARTMENT OF VETERANS AFFAIRS

TELEFAX TRANSMISSION COVER SHEET

DATE: May 27, 1993

TO: Christine Varney

FAX NUMBER: 456-2983

FROM: Gabby Hartnett, Chief of Staff  
Department of Veterans Affairs  
Office of the Secretary

PHONE: 202/535-8650 FTS: 8/535-8650

FAX: 202/535-8667 FTS: 8/535-8667

Number of pages, including FAX cover sheet 2

COMMENTS: This supplements my May 21, 1993 fax. Secretary Brown requests a response to his letter of April 8, 1993 to the President as to the designation of a coordinator of Federal research efforts related to health care for Persian Gulf Veterans. Background information as to why VA should be the designee is provided:

## BACKGROUND

o On April 8 Secretary Brown wrote to the President asking to be selected as coordinator of Federal research efforts related to health care for Persian Gulf Veterans. (P.L. 102-585 required the President to designate the head of a Federal Agency to oversee all Persian Gulf research activities).

o The White House instead has suggested that the Secretary of HHS, Donna Shalala, be designated as the Federal Coordinator. Presumably their thinking is that the responsibility would fall under the jurisdiction of the Public Health Service, which oversees the Centers for Disease Control and the National Institutes of Health.

## ISSUE

o VA has grave concerns about placing the responsibility for P.G. research under the auspices of HHS.

-Both DoD and VA have been intimately involved with the treatment of P.G. veterans and research into their maladies--in the battlefield and since their return. HHS has had minimal involvement in this area. Thus, both VA and DoD have years of experience already under their belts.

-In addition, the Public Law requires that VA and DoD closely collaborate with the National Academy of Sciences (Medical Follow-up Agency) and the Office of Technology Assessment in research efforts. Adding another entity in coordination of these efforts would have limited value and could conceivably make the efforts more complex and unwieldy.

-Unlike HHS, VA has a long history and much experience with the problems and pitfalls of collecting research data from DoD, e.g. Agent Orange, ionizing radiation, and mustard gas. VA already has the infrastructure in place to work with DoD and to act as the Federal Coordinator on P.G. research.

-Research on the health care of Persian Gulf veterans is integral to the mission of VA--not so for HHS. Thus, having VA in the lead will help ensure that this function receives a high priority.

# Gulf War hits home, painfully

## Army backs off stress as cause of mysterious ailments

By Soraya S. Nelson  
Times staff writer

WASHINGTON — The military has reversed its long-standing position that stress, not disease or chemicals, caused unexplained illnesses in thousands of veterans of Operation Desert Storm.

The exact cause of the unexplained fatigue, joint aches, rash, fevers and other flu-like symptoms remains a mystery, however, and the government may have to use unconventional methods to determine it, said Maj. Gen. (Dr.) Ronald Blanck, commander of Walter Reed Army Medical Center here.

"We recognize [that the problems are] due to some cause that is more than stress," said Blanck, who testified June 9 on behalf of the Defense Department before

the House Veterans' Affairs Committee's oversight and investigations subcommittee. Among the possible causes, Blanck said, are chronic fatigue syndrome — a disease that causes constant tiredness — and an allergy-like reaction to chemicals or other toxins.

But the Army's first-ever acknowledgment that some claims made by ailing veterans could have physical — rather than psychological — roots had no effect on other testimony at the hearing. That testimony reflected the distrust and anger that have been building among sick Persian Gulf War veterans and their families who have been desperately seeking financial and medical help.

They found an unexpected ally in Rep. Steve Buyer, a freshman Republican from Indiana. Buyer, who serves on the Veterans' Affairs Committee, announced at the hearing that he too suffers from unexplained ailments that surfaced shortly after his return from Operation Desert Storm.

"The Persian Gulf war changed my life and changed my body," said Buyer, an Army Reserve major who worked as a law-

yer at a prisoner-of-war camp.

Buyer said he has recurring asthma, post-nasal drip, allergies and loss of energy for which he is currently being treated at the National Naval Medical Center, Bethesda, Md. He also has had numerous infections since his return.

### Complaints pour out

Veterans' complaints poured out in a steady stream for nine hours at the packed hearing, called to discuss government efforts related to the mystery illnesses.

Some said their illness has cost them their homes and their jobs. Others have thousands of dollars in unpaid medical bills.

A number of veterans' spouses and children also have developed debilitating conditions that defy explanation, some witnesses testified.

"As an American, I am furious," said Betty Zuspahn of Waco, Texas, as tears streamed down her face. "These last two years have been a travesty for all Desert Storm veterans. We should all be ashamed of ourselves."

Her husband, former Navy Petty Officer Gary Zuspahn, served aboard a ship in the Persian Gulf. Now he can barely walk and eat as a result of "multiple-chemical sensitivity," the Department of Veterans Affairs, or VA, has ruled. However, the VA also ruled there is no way to prove his problem is related to his Gulf War service, and refused to treat him or pay civilian providers to care for him.

To date, the illness has cost the Zuspahns their home and \$170,000 in medical bills, Betty Zuspahn said.

The VA's treatment of her husband's case is a violation of federal law that bars discrimination against the disabled, she argued.

### Case not unique

The Zuspahns' case is not unique, other witnesses testified. VA hospitals, which must care for ailing veterans after they leave active duty, do not do enough to help, some complained.

According to the Department of Veterans

Affairs, only 26 veterans have been admitted to the three medical centers where the mystery illness is being treated, although 70 times as many have filed disability claims related to it.

Of more than 250,000 Desert Storm veterans no longer on active duty, fewer than 5,000 have had congressionally mandated physical exams, the results of which will be registered in a computerized Persian Gulf Registry.

The registry is intended to help determine in the future whether Desert Storm service resulted in health problems, officials said.

Compounding the problem is the rejection of several civilian doctors' claims that the syndrome is a result of bacteria and an allergy-like sensitivity to chemicals and toxins, said subcommittee member and hearing co-chair Joseph Kennedy II, D-Mass.

### Possible causes listed

Among the suspect causes listed at the hearing are: exposure to unconventional vaccines and drugs designed to protect service members against disease and chemical or biological attack by the Iraqis; local bacteria, parasites and viruses; chemicals and toxins from the Kuwaiti oil-well fires; repeated sprayings of pesticides in troop camps; depleted uranium in shell tanks; uncontrolled burning of trash; and cleaning solutions and paint.

But VA and Defense Department officials have said those possibilities are speculative at best, and that the methods used to reach those conclusions violate accepted scientific standards. The officials called for new research to study the claims, and funding from Congress to help pay for the research.

Other steps VA and military officials are expected to take in response to the problems highlighted at the hearing include:

■ A militarywide policy, to be announced in October, that will require the services offer standardized physical exams to service members when they leave active duty.

■ A Pentagon and VA request to the National Academy of Sciences in the near future to study the health consequences serving in Operation Desert Storm.

"I'm very concerned ... that it takes a hearing like this for the VA to get it," Kennedy told Dr. James Holsinger Jr., the VA undersecretary for health. "There should be better relations between veterans and the VA."

Holsinger agreed the hearing shows there is a "glitch" in the system.

\*1

*Change*  
*Anything we can do on this*

THE PRESIDENT HAS SEEN  
6.24.93

THE WHITE HOUSE  
WASHINGTON

August 12, 1993

MEMORANDUM FOR CAROL RASCO

FROM: JOHN PODESTA

*JAP*

SUBJECT: Enrolled Bill H.R. 798 - Veterans' Compensation  
Rate Codification and Housing Program Technical  
Corrections  
Enrolled Bill H.R. 2034 - Veterans' Medical  
Facility Projects and Leases Authorization

*OK*  
*EF*  
*Spoke w/ Debbie Bird*  
*8/12/93*  
*(RD)*

Attached are two enrolled bill memos on matters relating to Veterans Affairs. Both Bills have been cleared for the President's signature by OMB and VA. I'd like to get these signed tomorrow, if you concur.

Please let me know if you need further information.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

THE DEPUTY DIRECTOR

August 11, 1993 8/11/93 11 A 9:30

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 798 - Veterans' Compensation Rate  
Codification and Housing Program Technical  
Corrections  
Sponsors - Rep. Slattery (D) KS and 33 others

Last Day for Action

August 17, 1993 - Tuesday

Purpose

(1) Codifies the December 1, 1992, rates of payment to the beneficiaries of veterans' disability compensation and Dependency and Indemnity Compensation (DIC), and (2) makes certain technical amendments to the Department of Veterans Affairs' (VA) home loan program.

Agency Recommendations

Office of Management and Budget	Approval
Department of Veterans Affairs	Approval
Department of Housing and Urban Development	No objection (Informally)

Discussion

VA provides disability compensation for veterans with service-connected disabilities and their dependents. It also provides DIC payments for surviving spouses and children of (1) servicepersons who died in service, and (2) veterans whose deaths were service-connected.

The primary purpose of H.R. 798 is to codify the rates of disability compensation and DIC to reflect the December 1, 1992, cost-of-living adjustment (COLA) provided by Public Law 102-510. That law authorized a compensation COLA identical to the one Social Security beneficiaries would receive on January 1, 1993. The Social Security COLA is based on Consumer Price Index (CPI) data.

Traditionally, veterans' compensation COLA legislation has amended current law to specify the new rates. However, when Public Law 102-510 was enacted, the amount of the COLA was not known because final CPI data were not available. Therefore, current law was not amended at that time. The enrolled bill would codify the December 1, 1992, rates.

H.R. 798 would also make two technical amendments to the VA-guaranteed home loan program. First, the enrolled bill would allow veterans to finance discount points paid in connection with an interest-rate-reduction refinancing loan. This would restore a provision under preexisting law that was inadvertently omitted when the Veterans Home Loan Program Amendments of 1992 were enacted (Public Law 102-547).

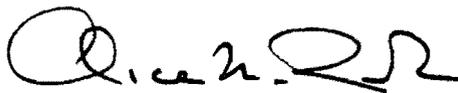
The second amendment concerns the date of the interest rate adjustment for VA-guaranteed adjustable rate mortgage loans (ARM's). H.R. 798 would delete the requirement that the annual adjustment be on the anniversary of the loan closing date. Removing this requirement would enable VA-guaranteed ARM's to be included in Government National Mortgage Association mortgage pools along with Federal Housing Administration-insured ARM's.

#### Scoring for the Purpose of Pay-As-You-Go

The provision permitting the financing of discount points would increase direct spending; therefore it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. This Office estimates that H.R. 798 would increase direct spending by less than \$500,000 over FYs 1994-1998.

#### Conclusion and Recommendations

VA recommends approval of H.R. 798. It states that the enrolled bill merely makes clarifying and technical amendments to the veterans' compensation and home loan programs. We join VA in recommending approval of H.R. 798, which passed the House and Senate by voice vote.



Alice M. Rivlin  
Deputy Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

93 AUG 193

THE DEPUTY DIRECTOR

August 11, 1993

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MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2034 - Veterans' Medical Facility Projects and Leases Authorization  
Sponsors - Rep. Rowland (D) GA and three others

Last Day for Action

August 21, 1993 - Saturday

Purpose

(1) Authorizes appropriations for FY 1994 for the Department of Veterans Affairs' (VA) major medical facility projects and leases, (2) makes a number of changes to VA's construction program authorities, and (3) revises the Department's current lease authority for Pershing Hall, a building located in Paris, France.

Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs

Approval (Informally)

Department of Defense

Approval (Informally)

General Services Administration

No objection  
(Informally)

Discussion

The purpose of H.R. 2034 is to authorize appropriations for VA's major medical facility leases and construction projects proposed in the FY 1994 Budget. Specifically, the bill would provide \$50.1 million for 11 major medical facility leases in the FY 1994 Budget and \$143.1 million for five VA major medical construction projects, four of which were proposed in the FY 1994 Budget. H.R. 2034 would also authorize appropriations for the construction or expansion and modernization of a 120-bed VA nursing home facility. The bill would require VA to conduct a study to determine the most appropriate location for the 120-bed facility.

Other provisions of H.R. 2034 would:

- Increase the statutory limitation for defining a "major medical facility project" from \$2 to \$3 million. It would also increase the limit for treating a parking facility at a VA medical center as a major medical facility project from \$2 to \$3 million. These changes conform the authorizing statute to the appropriations language used for the past few years.
- Extend VA's lease authority for Pershing Hall from 35 years to 99 years. In 1991, VA was given responsibility for the rehabilitation, operation, and use of Pershing Hall, an existing building in Paris, France. According to VA, the 99-year lease authority would improve Pershing Hall's value as an asset of the U.S. Government.

Scoring for the Purpose of Pay-As-You-Go

The provision extending VA's lease authority for Pershing Hall would increase receipts; therefore it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. This Office estimates that H.R. 2034 would increase receipts by less than \$500,000 annually.

Conclusion and Recommendations

VA and the Department of Defense (DOD) recommend approval of H.R. 2034. VA informally advises that the enrolled bill would authorize funding for most of the VA projects and leases proposed in the FY 1994 Budget. We join VA and DOD in recommending approval of H.R. 2034, which passed both the House and Senate by voice vote.



Alice M. Rivlin  
Deputy Director

Enclosure



OFFICE OF THE SECRETARY  
DEPARTMENT OF VETERANS AFFAIRS  
TELEFAX TRANSMISSION COVER SHEET

DATE: August 30, 1993

TO: Carol Rocco

FAX NUMBER: 456-2878

FROM: Abby Hartnett, Chief of Staff  
Department of Veterans Affairs  
Office of the Secretary

PHONE: 202/535-8650 FTS: 8/535-8650

FAX: 202/535-8667 FTS: 8/535-8667

Number of pages, including FAX cover sheet 4

COMMENTS:

106 STAT. 4980

PUBLIC LAW 102-585—NOV. 4, 1992

to the National Academy of Sciences for the purposes of carrying out the research referred to in subparagraph (A).

**SEC. 707. COORDINATION OF GOVERNMENT ACTIVITIES ON HEALTH-RELATED RESEARCH ON THE PERSIAN GULF WAR.**

(a) **DESIGNATION OF COORDINATING ORGANIZATION.**—The President shall designate, and may redesignate from time to time, the head of an appropriate department or agency of the Federal Government to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War.

(b) **REPORT.**—Not later than March 1 of each year, the head of the department or agency designated under subsection (a) shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the status and results of all such research activities undertaken or by the Executive Branch of the Federal Government during the previous year.

**SEC. 708. DEFINITION.**

For the purposes of this title, the term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

## TITLE VIII—COURT OF VETERANS APPEALS

**SEC. 801. DISCIPLINARY PROCEDURES FOR JUDGES OF COURT OF VETERANS APPEALS.**

Section 7253(g) is amended—

- (1) by inserting "(1)" after "(g)"; and
- (2) by adding at the end the following:

"(2) The provisions of paragraphs (7) through (15) of section 372(e) of title 28, regarding referral or certification to, and petition for review in, the Judicial Conference of the United States and action thereon, shall apply to the exercise by the Court of the powers of a judicial council under paragraph (1) of this subsection. The grounds for removal from office specified in subsection (f)(1) shall provide a basis for a determination pursuant to paragraph (7) or (8) of section 372(e) of title 28, and certification and transmittal by the Conference shall be made to the President for consideration under subsection (f).

"(3)(A) In conducting hearings pursuant to paragraph (1), the Court may exercise the authority provided under section 1821 of title 28 to pay the fees and allowances described in that section.

Proposed Plan of Action for Lead Agency Coordination of Health-Related Research on the Persian Gulf War

- 1) White House to designate VA as lead agency.
- 2) VA to request DoD, EPA and HHS to designate representatives to a coordinating committee.
- 3) VA to appoint committee chair.
- 4) Committee chair to call first meeting to establish contacts, draft terms of reference\*, and appoint appropriate subcommittees.
- 5) VA to send terms of reference to DoD, EPA and HHS for formal concurrence.
- 6) VA to send terms of reference to White House for approval.
- 7) Committee chair to initiate coordination activities according to terms of reference.

\* Terms of reference to include committee's charge, scope of responsibilities, and procedures for conducting coordination activities.

Department of Veterans Affairs

Memorandum

Date: August 25, 1993

From: Chairman, Persian Gulf Veterans Working Group (12/1)

Subj: Plan of Action for Lead Agency Coordination of Health-Related Research on the Persian Gulf War

To: Chief of Staff (OOA)

Thru: Under Secretary for Health (10) J.T.F.  
General Counsel (02) W.K.

1. In a conference call on August 12, 1993 among representatives of VA, DoD and HHS, a consensus was reached that VA should be designated as lead agency "to coordinate all research activities undertaken or funded by the Executive Branch of the Federal Government on the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War" as required by Public Law 102-585.

2. A proposed Plan of Action for implementation of lead agency responsibilities is forwarded, as you requested.

*Raymond L. Sphar, M.D.*

Raymond L. Sphar, M. D.

Attachment