was carried out by the U.S. Department of the Navy during the 1950s. The Navy built temporary hospitals on Saipan for the treatment of both military and civilian personnel. In recognition that the local population needed access to permanent medical care, the Navy also expanded the colonial practice of training promising individuals in dentistry and medicine. The Navy sent Dr. Juan Charfauros Reyes for further education to the School of Dental Assistants, Navy Hospital, Guam. Doctors Jose Lujan Chong, Francisco Taman Palacios, Benusto Rogolifoi Kaipat, Jose Tenorio Villagomez, and Calistro Camacho Cabrera were sent for medical training first to the Naval Medical School on Guam and then to the Central Medical School at Suva, Fiji, in the early 1950s.

□ 2000

Dr. Carlos Sablan Camacho similarly trained in Fiji later in the decade and in Hawaii in the 1970s.

In 1962, two important events took place in the Northern Mariana Islands. First, the U.S. Department of the Interior took over the United States' trusteeship responsibilities from the Navy, inaugurating the establishment of the Government of the Trust Territory of the Pacific Islands, the capital of which was eventually located on Saipan. Second, the residents of Saipan witnessed the grand opening of a modern, civilian-staffed hospital built on As Terlaje hill, christened Dr. Torres Hospital in honor of Saipan's first local doctor.

The 1960s and 1970s brought opportunities for the aforementioned local doctors to obtain advanced training in Guam and in Hawaii. Joining the ranks of the Northern Marianas' first doctors and dentists in 1972 were Dr. Manuel Quitano Sablan and Dr. Helen Taro, who earned their degree in dentistry and medicine, respectively, from the Fiji School of Medicine. Like their faithful colleagues before them, Dr. Sablan and Dr. Taro returned after their schooling to be of service to the people of the Northern Marianas, taking care of the dental and medical needs of the island community.

The people of the Northern Mariana Islands have the deepest appreciation, admiration, and respect for our pioneer doctors and dentists—to those still living today and to the memory of those that have passed on. May their compassion and dedication always be an example and inspire more of our young people to pursue a career in health care.

AUDIT THE FED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Madam Speaker, I rise to call attention to my colleagues of a vote that occurred in the other body today. Senator VITTER from Louisiana offered an amendment to the financial reform package in the Senate that was essentially—it was exactly the same as H.R. 1207, which is Audit the Fed bill. There was a vote on this, and unfortunately there were only 37 Senators that voted in favor of this Audit the Fed bill. This is rather sad because it is already in the House version of the financial reform bill, and in the House we have 319 cosponsors of this bill. So it is a very well-accepted bill by a broad spectrum of both Republicans and Democrats.

But the reason why this is so disturbing is because of the current events going on in the financial markets. Right now we are involved with bailing out Europe and especially bailing out Greece, and we are doing this through the Federal Reserve. The Federal Reserve does this with currency swaps. They do this by literally giving loans and guarantees to other central banks, and they can even give loans to governments. So this is placing the burden on the American taxpayers, not direct taxation, but by expanding the money supply, this is a tax on the American people because this will bring economic hardship to this country. And because we have been doing this for so many years, the economic hardship is already here. We have been suffering from it.

But the problem comes that once you have a system of money where you can create it out of thin air, there is no restraint on the spending in the Congress. And then the debt piles up, and then they get into debt problems as they are in Greece and other countries in Europe. And how do they want to bail them out? With more debt.

But what is so outrageous is that the Federal Reserve can literally deal in trillions of dollars. They don't get the money authorized. They don't get the money appropriated. They just create it, and they get involved in bailing out their friends, like they have been doing for the last 2 years, and now they are doing it in Europe.

So my contention is that they deserve oversight. Actually, they deserve to be reined in where they cannot do what they are doing. But initially, we need oversight, and that is why this vote of only 37 Senators willing to audit the Federal Reserve in a thorough manner and hold them in check, which means that there were 62 Senators that support the idea of maintaining a status quo with the Fed and that they will still be able to make these loans to these foreign central banks.

Now, what has this led to? It has led to tremendous pressure on the dollar. The dollar is the reserve currency of the world. We bail out all of the banks and all of the corporations. We have been doing this for the last couple of years to the tune of trillions of dollars, and even today it looks like the dollar is strong on the international exchange market. People are frightened about what is happening throughout the world, and they are buying Treasury bills and they are buying dollars and holding dollars. But the real truth is the dollar is very, very weak, because the only true measurement of the value of currency is its relationship to gold. For 6,000 years, gold has been the best measurement of the value of a country's currency.

In the 1970s, we were very much aware of what was happening. Our dollar was depreciated to gold at 18 percent, and it ushered in a whole decade of inflation: prices going up 15 percent; interest rates up to 21 percent. In the last 10 years, our dollar has been devalued 80 percent in terms of gold. That means, literally, we have printed way too much money. Right now, we are just hanging on. The world is hanging on the fact that the dollar still is usable. But the whole problem is our financial situation is no better in this country than around the world. There is just a greater trust in our dollar because we have a military machine and we have economic growth in this country which is greater than others; but, quite frankly, it is quite weak.

So we face a very serious crisis. To me, it is very unfortunate that we are not going to have this Audit the Fed bill passed in the Senate. It has been passed in the House. Possibly we can salvage this in conference and make sure that this occurs. But since the Federal Reserve is responsible for the business cycle, for the inflation, and for all of the problems that we have, it is so vital that we stand up and say it is time for us to assume the responsibility, because it is the Congress, under the Constitution, which has been authorized to be responsible for the value of the currency.

As a matter of fact, the Constitution still says, it has not been amended or changed, but only gold and silver are supposed to be used as legal tender, not pieces of paper, not computer entries. This can't work. It is not working very well. The world is starting to recognize this, and I am really concerned about what is going to happen, because a currency crisis is much worse than a financial crisis. We have just been through the financial crisis. We are in the midst of it. But a currency crisis, which is on our doorstep, means that our dollar will be devalued.

PROTECTING PONZI SCHEME VICTIMS

The SPEAKER pro tempore (Ms. TITUS). Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, I spoke recently of the urgent need for certain amendments to the Securities Investor Protection Act, SIPA, in order to protect victims of Ponzi schemes.

Under no circumstances, except complicity with a crooked broker, should these investors be subject to clawback litigation. If necessary, I am prepared

to propose such legislation. Instead of representing the best interests of the victims, the Madoff trustee is representing SIPC against the victims. Let's do the right thing for the average American who works hard, saves money, invests in the stock market with the hope of ultimately retiring on his savings.

I now want to address the need to provide such victims with tax relief. Tens of thousands of Americans have lost their life savings because of the incompetence of the SEC and its failure to close down the operations of Bernard Madoff, Allen Stanford, and so many others. Congress cannot ignore the fact that the biggest beneficiary of Madoff's and Stanford's crimes is the Federal Government. Every year, even if investors did not take money out of Madoff or Stanford, they paid taxes on the supposed income from those investments.

With respect to Madoff, the reported income was short-term capital gains, which is subject to the highest income tax rate under the Internal Revenue Code.

Congressman BILL PASCRELL has proposed legislation, H.R. 5058, providing some tax relief to the victims of these Ponzi schemes. I strongly support the bill, and I urge the House to pass this bill as quickly as possible. Senator SCHUMER, along with 17 cosponsors, has proposed a similar bill in the Senate, S. 3166, which I also support. However, these bills need certain changes to strengthen them.

With respect to the House bill, there is a 10-year carryback for theft losses. Under existing law, taxpayers can utilize the theft laws for 20 years going forward. However, elderly investors who have lost all of their savings and don't work have no ability to utilize a theft loss going forward. Thus, giving these people a 10-year carryback is only fair.

The Senate bill proposes a 6-year carryback, which is insufficient.

Both the House and the Senate bills give a theft loss for IRA investors. However, the House bill is more generous than the Senate bill, providing for a theft loss of up to $2 million; whereas, the Senate bill limits the loss to $1.5 million.

We have been infinitely generous to Wall Street, so it is long overdue to be fair to Main Street.

Finally, both bills are deficient because they preclude a theft loss for investors whose retirement savings were in 401(k) plans or defined benefit pension plans or deferred profit-sharing plans. Congress should not discriminate against some investors based on the form of their retirement investments, all approved by Federal tax laws. Therefore, the bills in both Houses must be amended to provide the same theft loss relief for all retirement plans no matter how they are structured.

Congress has shown extraordinary generosity to the financial service industry in the past years. Despite the fact that these companies that make up this sector caused the global financial collapse, Congress provided $400 billion of funding to them with no strings attached.

Let us not nickel-and-dime Wall Street's victims, the taxpayers who lost their life savings because of the greed of Wall Street and the incompetence of the SEC. We are not seeking to make them whole. We are simply disgorging some of the fictitious profits that the government received in tax payments from the victims of these crimes.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

NATIONAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROHRABACHER) is recognized for 5 minutes.

Mr. ROHRABACHER. Madam Speaker, I rise to express my concern over two critical national security issues: Iran and the ongoing Israeli-Palestinian conflict.

As far as Iran, the extremist mullah leaders in that country continue to oppress and murder their own people. They, by providing armor-piercing weapons to terrorists, are also responsible for the death of hundreds, if not thousands, of American soldiers in both Iraq and Afghanistan. Yet the Iranian regime is being treated as a legitimate, if not democratic, government. Well, they are not legitimate nor are they democratic. They are a radical Islamic anti-Western dictatorship.

We have long since passed the time when America should have been backing, verbally and otherwise, the Iranian people's struggle to overthrow their radical Islamic oppressors. Let the Iranian people, with our blessings, rid themselves of this pariah regime. That would be the best option.

But when it comes to the mullah regime obtaining nuclear weapons, doing nothing to prevent it is not an option. If we won't do what is necessary ourselves, we should not get in the way of Israel doing it. Obviously, Israel will be the first nation threatened with devastation and destruction by a nuclear-armed Iranian mullah dictatorship. Thus, if Israel is willing to act and does so, it should not be viewed as an outrage but it should be viewed with understanding and perhaps with a sense of relief. If other options fail, intelligence, logistical and political support for an Israeli operation aimed at preventing the construction of a mullah A-bomb is in our interest, is in the interest of peace and safety in that region, and it is in the interest of all of the people of the world.

Then there is, of course, the Palestinian-Iranian quagmire. But let us recognize when we are looking at that issue, there has been major progress over the last decade. Israel has demonstrably reached out to offer an olive branch to the Palestinian people.

□ 2015

They have embraced a two-state solution, which they didn't do over 10 years ago. They have, in fact, withdrew their troops from Lebanon. And importantly, Israel has actually given up control of Gaza and substantial territory in the West Bank. And what did they get for it? Thousands of missiles launched into Israel itself. And when retaliating, they, of course, were condemned for a fight that they didn't even start.

It's time for the Palestinian missile attacks to stop and for the Palestinians to reciprocate for Israel's tangible concessions in Gaza and on the West Bank. They should step up to the plate with a meaningful change of position.

The Palestinians need to recognize Israel's right to exist. And to make it real, the Palestinians must renounce what they call the right of return. The Israelis have taken major steps. Now it's time for the Palestinians to move. And until the Palestinians make recognizable steps forward, as Israel has done, as I just pointed out, our government should not be urging Israel to give up even more territory or condemning them for prodding the Palestinians.

For example, if the Israeli renovation of apartment complexes in Jerusalem gets the Palestinians to realize that they can't wait forever because Israel is just going to move on unless the Palestinians come out and try to reach an agreement, well, if it's got the Palestinians to understand that, and that they're going to have to act and step forward, then the widely condemned renovation of those apartment complexes in Jerusalem was actually something that furthered the cause of peace.

To conclude, I urge the Obama administration to change course before it's too late, to stand up to the Iranian Islamic dictatorship, and to be realistic about the Israeli-Palestinian conflict. Peace can't come by trying to prove how sincere we are or by holding hands with thugs hoping they will be impressed with our sincerity, or by condemning a nation that is attacked for retaliating. It's time, as we say in California, to get real.

Unfortunately, when it comes to these two important foreign policy challenges, it seems that wishful thinking and irrational optimism are what's guiding America's foreign policy.

HOW'S THAT SWAMP DRAINING COMING ALONG?

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas