

# United States Senate

WASHINGTON, DC 20510

December 1, 2014

## VIA ELECTRONIC TRANSMISSION

The Honorable Eric H. Holder, Jr.  
Attorney General  
U.S. Department of Justice  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

Dear Attorney General Holder:

The Department of Justice (DOJ) allegedly allowed former Nazis to retain their Social Security benefits if they left the United States voluntarily and renounced citizenship.<sup>1</sup> Under law, participating in Nazi persecution is a deportable offense.<sup>2</sup> However, DOJ's Office of Special Investigations (OSI) is said to have allowed former Nazis who left the U.S. quickly and of their own accord to retain their benefits, rather than be deported.<sup>3</sup> While deportation is grounds for termination of Social Security benefits, participating in the Nazi party is not. Therefore, this practice circumvents the deportation process and the cancellation of benefits. It has resulted in the U.S. paying millions of dollars to known Nazis unnecessarily.<sup>4</sup>

DOJ Spokesman Peter Carr has denied these allegations, claiming that "the department neither used retirement benefits as an inducement to leave the country and renounce citizenship nor threatened that failure to depart and renounce would jeopardize continued receipt of benefits."<sup>5</sup> Yet one senior DOJ official stated: "We really did want people to give up and go," and by allowing suspects to retain Social Security

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<sup>1</sup>David Rising, Randy Herschaft, and Richard Lardner, *Millions in Social Security for Expelled Nazis*, ASSOCIATED PRESS, Oct. 20, 2014, <http://bigstory.ap.org/article/6ae3352f4d474b028c84be0c627e7780/expelled-nazis-paid-millions-social-security>

<sup>2</sup>*Id.*

<sup>3</sup>*Id.*

<sup>4</sup>*Id.*

<sup>5</sup>*Id.*

benefits DOJ could avoid lengthy deportation procedures.<sup>6</sup> In 1999, DOJ opposed legislation that would have stopped the Social Security payments.

The AP found that “at least 38 of 66 suspects removed from the United States kept their Social Security benefits.” These beneficiaries include people who committed egregious crimes during the Holocaust, such as SS guards from some of the Holocaust’s most notorious death camps and a Nazi collaborator who was responsible for the execution of thousands of Jews.<sup>7</sup>

Disturbingly, the practice continues today. Jakob Denzinger, a 90 year former Auschwitz guard who later became an American citizen, collects approximately \$1,500 per month of Social Security payments.<sup>8</sup> Denzinger has long since renounced his American citizenship and now lives in Germany, yet the payments continue. At least three other ex-Nazis are still alive and continue to receive Social Security benefits abroad.<sup>9</sup>

Furthermore, newly discovered Nazi suspects who currently live in the U.S. could retain their Social Security benefits if they leave the country voluntarily. For example, alleged SS commander Michael Karkoc currently lives in Minnesota and is under investigation in Germany for ordering his unit to attack a Polish village killing dozens of women and children.<sup>10</sup> Like Denzinger, Karkoc could potentially retain his Social Security benefits even if he leaves the U.S.

The Social Security Administration (SSA) and the State Department objected to the practice of allowing ex-Nazis to continue receiving Social Security benefits.<sup>11</sup> State officials referred to the methods used by OSI as “Nazi dumping.”<sup>12</sup> In 1997, SSA Acting Commissioner John Callahan stated: “Social Security benefits cannot, and should not, be used as a bargaining tool.”<sup>13</sup> Yet even with these objections the DOJ practice reportedly continued.

We have introduced bi-partisan, bi-cameral legislation to close the Social Security loophole in order to prevent this practice in the future and hope that it will become law soon. However, there remain questions about DOJ’s actions and what will be done in current cases if the law is not passed before they are resolved. Therefore, we ask that you please provide the following information:

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<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

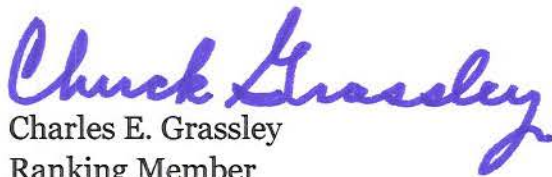
<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

1. What is the total number of Nazi suspects who received Social Security benefits after leaving the United States?
2. How many suspected Nazis currently receive Social Security benefits and live outside the country?
3. What is the total dollar amount of Social Security benefits that have been paid to date to suspected Nazis residing outside the U.S.?
4. What is DOJ policy with regard to allowing Nazi suspects who leave the U.S. voluntarily to keep their Social Security benefits? Please provide any relevant documentation of that policy.
5. Please explain why Nazi suspects listed above who were deportable were allowed to leave the U.S. voluntarily instead and keep their Social Security benefits.
6. What communications has DOJ had with the State Department about this issue? When the State Department objected to DOJ's practice of allowing suspected Nazis to retain Social Security benefits, what was DOJ's response?
7. What communications has SSA had with DOJ regarding suspected Nazis who have left the U.S.? When SSA objected to DOJ's practice, what was DOJ's response?

Thank you for your attention to this matter. We would appreciate a response by December 15, 2014. If you have any questions, please do not hesitate to contact Tegan Millspaw at (202) 224-5225 or Kim Brandt at (202) 224-4515.

Sincerely,

  
Charles E. Grassley  
Ranking Member  
Committee on the Judiciary

  
Orrin G. Hatch  
Ranking Member  
Committee on Finance