

United States Senate

WASHINGTON, DC 20510

December 1, 2014

VIA ELECTRONIC TRANSMISSION

The Honorable Carolyn W. Colvin
Acting Commissioner
Social Security Administration
6401 Security Boulevard
Baltimore, Maryland 21235-6401

Dear Commissioner Colvin:

A recent news report revealed that the United States has paid millions of dollars in Social Security to former Nazis living abroad. This is happening because the Department of Justice (DOJ) is allegedly allowing former Nazis to retain their Social Security benefits in exchange for renouncing U.S. citizenship and leaving the country voluntarily.¹ Under law, participating in Nazi persecution is a deportable offense.² However, former Nazis who leave the U.S. voluntarily may maintain their Social Security benefits because Nazi participation is not ground for benefit termination unless it is first used as a ground for deportation.³

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.⁴ According to the Associated Press, "at least 38 of 66 suspects... kept their Social Security benefits."⁵

¹David 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>

²*Id.*

³*Id.*

⁴*Id.*

⁵*Id.*

The Social Security Administration (SSA) and the State Department objected to the DOJ practice of allowing ex-Nazis to continue receiving Social Security benefits.⁶ In 1997, SSA Acting Commissioner John Callahan stated: “Social Security benefits cannot, and should not, be used as a bargaining tool.”⁷

Even with these objections, DOJ has continued the practice to this day. Jakob Denzinger, a 90 year old former Auschwitz guard who later became an American citizen, collects approximately \$1,500 per month in Social Security payments.⁸ 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.⁹

Furthermore, newly discovered Nazi suspects who currently live in the U.S. could retain their Social Security benefits if they are removed to another country. 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.¹⁰ Like Denzinger, Karkoc could potentially retain his Social Security benefits even if he leaves the U.S.

In addition, this case raises important questions regarding the accuracy and consistency of SSA record-keeping. The Associated Press states that information provided by SSA was “directly inconsistent” with information contained in prior communications to the AP.¹¹ Specifically, SSA stated in 2013 that Paul Henss, a suspected Nazi who returned to Germany in 2007, received his last Social Security payment in 2008 after he returned to Germany.¹² But in a 2014 disclosure, SSA said that Henss received his last payment in 2007 while still living in the United States.¹³

The Associated Press also found discrepancies in the information retained by SSA’s FOIA department and its press department. The AP reported that SSA’s FOIA office could not identify certain individuals, although the SSA Press Office had previously identified the “exact same individuals using the exact same information” provided by the AP in the FOIA request.¹⁴ It appears that SSA is not tracking this

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ Letter from Brian Barrett on behalf of reporter Randy Herschaft, Counsel, Associated Press, to Kirsten Moncada, Executive Director, Office of Privacy and Disclosure, Social Security Administration (Oct. 16, 2014), available at <http://hosted.ap.org/interactives/2014/nazi-social-security/>

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

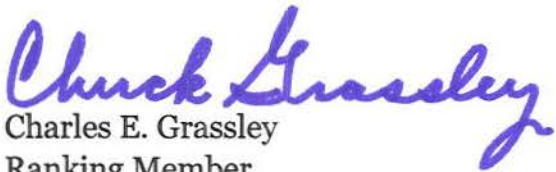
information carefully or ensuring that all departments within the agency have the correct records.

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:

1. What is the total number of Nazi suspects who received Social Security benefits after leaving the United States? How many suspected Nazis currently receive Social Security benefits and live outside the country?
2. What is the total dollar amount of Social Security benefits that have been paid to date to suspected Nazis residing outside the US?
3. If Michael Karkoc leaves the United States and renounces citizenship will he be permitted to retain his Social Security benefits?
4. What communications does SSA have with DOJ regarding suspected Nazis who have left the US? When SSA objected to DOJ's practice, what was DOJ's response?
5. When did Paul Henss receive his last Social Security payment? Why was the AP provided contradictory information about him and 6 other suspected Nazis?
6. Does SSA have procedures in place to ensure the accuracy of records regarding Social Security payments? If so, what are they? If not, why not?
7. Does SSA have procedures in place in order to ensure that all divisions of the agency retain the same information? If so, what are they? If not, why not?
8. Please explain why separate divisions within SSA provided differing information to the AP, and whether SSA has taken any steps to address it.

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