

Payment of Social Security Benefits to Individuals Who May Have Participated in Nazi Persecution

A-09-15-50013



May 2015

Office of Audit Report Summary

Objective

To determine the amount of benefits the Social Security Administration (SSA) paid to individuals who may have participated in Nazi persecution. We also determined whether SSA properly stopped benefits to individuals who participated in Nazi persecution in accordance with the *No Social Security for Nazis Act*.

Background

The *Social Security Act* prohibits paying retirement and/or disability benefits to individuals who are placed under a final order of deportation or removal from the United States for participating in Nazi persecution or committing crimes of genocide.

On October 20, 2014, we received a request from Representative Carolyn Maloney to review the payment of Social Security benefits to individuals who participated in Nazi persecution during World War II.

On December 18, 2014, the President signed the *No Social Security for Nazis Act* into law. The law terminates the payment of Social Security benefits to additional individuals who participated in Nazi persecution.

For our review, we obtained information from SSA and the Department of Justice (DOJ) to determine that 133 individuals who may have participated in Nazi persecution received Social Security benefits.

Conclusions

Between February 1962 and January 2015, SSA paid \$20.2 million in benefits to 133 individuals alleged, or found, to have participated in Nazi persecution. This occurred because the *Social Security Act* did not prohibit the payment of most of these benefits when they were paid. The \$20.2 million in payments included \$14.5 million paid to 95 beneficiaries who were not deported and \$5.7 million paid to 38 beneficiaries who were deported.

Of the \$20.2 million in benefits, SSA improperly paid four beneficiaries \$15,658 because it did not timely suspend benefits the month after it received the final order of deportation or removal from DOJ. SSA established overpayments for two of the four beneficiaries; however, none of these overpayments was recovered.

When the *No Social Security for Nazis Act* became law, four beneficiaries were affected by the new legislation. We found that SSA properly stopped payments to the four beneficiaries who were in current pay status as of January 2015. SSA continued payments to one beneficiary identified by DOJ because he was not subject to the provisions of the *No Social Security for Nazis Act*. This beneficiary lived in Germany and received payments until SSA terminated his benefits in May 2015 because of his death in March 2015.