

KEYWORD: Guideline F

DIGEST: Applicant has not identified any harmful error in the Judge's decision. Adverse decision affirmed.

CASENO: 17-00683.a1

DATE: 10/19/2018

DATE: October 19, 2018

In Re:  -----  Applicant for Security Clearance	) ) ) ) ) ) )	ISCR Case No. 17-00683
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**APPEAL BOARD DECISION**

**APPEARANCES**

**FOR GOVERNMENT**

James B. Norman, Esq., Chief Department Counsel

**FOR APPLICANT**

*Pro se*

The Department of Defense (DoD) declined to grant Applicant a security clearance. On April 3, 2017, DoD issued a statement of reasons (SOR) advising Applicant of the basis for that decision—security concerns raised under Guideline F (Financial Considerations) of Department of Defense Directive 5220.6 (Jan. 2, 1992, as amended) (Directive). Applicant requested a hearing. On July 24, 2018, after the hearing, Administrative Judge Marc E. Curry denied Applicant’s request for a security clearance. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

Applicant has been working for a defense contractor since 2012. The SOR alleged six delinquent debts totaling about \$20,000. Applicant admitted each of the delinquent debts. In analyzing the evidence, the Judge concluded that the debts were either unresolved or there is a lack of proof of payments towards them.

In his appeal brief, Applicant contends that Judge failed to take into account his current financial situation. He states that a credit report he provided in his post-hearing submission reflects some of the debts have been charged off and no longer appear on his credit report, which leaves only two unresolved debts, *i.e.*, a mortgage in foreclosure and a credit union debt.<sup>1</sup> He argues such evidence shows his financial situation is slowly being resolved and demonstrates he is sufficiently addressing the security concerns. His argument is unpersuasive. A Judge could reasonably conclude that charged-off debts remain an ongoing financial problem. *See, e.g.*, ISCR Case No. 06-23894 at 2 (App. Bd. Mar. 6, 2008).<sup>2</sup> Moreover, the fact that a debt no longer appears on a credit report does not establish any meaningful evidence as to the disposition of the debt. *See, e.g.*, ISCR Case No. 14-03612 at 3 (App. Bd. Aug. 25, 2015). Applicant has not identified any harmful error in the Judge’s decision.

The Judge examined the relevant evidence and articulated a satisfactory explanation for the decision. The decision is sustainable on this record. “The general standard is that a clearance may be granted only when ‘clearly consistent with the interests of the national security.’” *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). *See also* Directive, Encl. 2, App A. ¶ 2(b): “Any doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security.”

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<sup>1</sup> Applicant’s statement fails to account for an unresolved state tax debt alleged in SOR ¶ 1.a.

<sup>2</sup> The Board has previously noted that a creditor’s choice to charge off a debt for accounting purposes does not affect the debtor’s obligation to the creditor. *See, e.g.*, ISCR Case No. 15-02760 at 3 (App. Bd. Dec. 29, 2016) and ISCR Case No. 09-01175 at 2, n.1 (App. Bd. May 11, 2010).

**Order**

The Decision is **AFFIRMED**.

Signed: Michael Ra'anan

Michael Ra'anan  
Administrative Judge  
Chairperson, Appeal Board

Signed: Charles C. Hale

Charles C. Hale  
Administrative Judge  
Member, Appeal Board

Signed: James F. Duffy

James F. Duffy  
Administrative Judge  
Member, Appeal Board