



**DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:)
)
) ISCR Case No. 18-02275
)
Applicant for Security Clearance)

Appearances

For Government: Liam Apostol, Esq., Department Counsel
For Applicant: *Pro se*

07/08/2019

Decision

HARVEY, Mark, Administrative Judge:

Applicant did not make sufficient progress resolving his delinquent debts. He intentionally failed to disclose his delinquent debts on his June 7, 2017 Questionnaire for National Security Positions (SF 86) or security clearance application (SCA). (Government Exhibit (GE) 1) Financial considerations and personal conduct security concerns are not mitigated. Access to classified information is denied.

Statement of the Case

On June 7, 2017, Applicant completed and signed his SCA. On October 4, 2018, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued a statement of reasons (SOR) to Applicant under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry*, February 20, 1960; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive), January 2, 1992; and Security Executive Agent Directive 4, establishing in Appendix A the *National Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (AGs), effective June 8, 2017. (Hearing Exhibit (HE) 2)

The SOR detailed reasons why the DOD CAF did not find under the Directive that it is clearly consistent with the interests of national security to grant or continue a security clearance for Applicant and recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked. Specifically, the

SOR set forth security concerns arising under Guidelines F (financial considerations) and E (personal conduct).

On February 2, 2019, Applicant responded to the SOR and requested a hearing. (HE 3) On March 18, 2019, Department Counsel was ready to proceed. On April 5, 2019, the case was assigned to another administrative judge, and on May 5, 2019, the case was transferred to me for administrative reasons. On May 9, 2019, the Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing, setting the hearing for May 28, 2019. (HE 1) Applicant's hearing was held as scheduled.

During the hearing, Department Counsel offered five exhibits; Applicant's only objection went to the weight of the evidence, and not to admissibility; and all proffered exhibits were admitted into evidence. (Transcript (Tr.) 15-18; GE 1-5). Applicant noted that the \$740 debt on the court record from 2012 was not listed on the credit report he reviewed. (Tr. 16-17; SOR ¶ 1.a; GE 4) Applicant did not offer any exhibits. (Tr. 10) Applicant said he wanted to provide documentation after his hearing. (Tr. 56-57) On June 5, 2019, DOHA received a transcript of the hearing. On June 28, 2019, the record closed. (Tr. 57-58) Applicant did not provide any post-hearing documents.

Some details were excluded to protect Applicant's right to privacy. Specific information is available in the cited exhibits.

Findings of Fact

In Applicant's SOR response, Applicant admitted SOR ¶¶ 2.a and 2.b, and he either denied the other SOR allegations or provided extenuating and mitigating information. Applicant's admissions are accepted as findings of fact. Additional findings of fact follow.

Applicant is 45 years old, and a DOD contractor has continuously employed him as an audio-visual technician for the previous six years. (Tr. 6-7, 19, 21) In 1992, he graduated from high school. (Tr. 6) He needs to complete five classes to receive a bachelor's degree in information technology. (Tr. 6) He has never served in the military. (Tr. 7) He has never been married. (Tr. 7) His two children are ages 20 and 25. (Tr. 7) He has two grandchildren. (Tr. 20) Applicant provides some financial assistance to his children and grandchildren. (Tr. 20-21)

Financial Considerations

Applicant's current annual salary is \$55,000. (Tr. 22) He has not had any periods of unemployment in the previous 10 years. (Tr. 22) He has about \$35,000 in his 401(k) account and about \$2,000 in his savings account. (Tr. 44) Applicant was unsure about how much discretionary income he had to pay his debts. (Tr. 45-46) Several debts were dropped from his credit report due to the passage of time. (Tr. 48)

The SOR alleges nine delinquent debts totaling \$49,152. Their status is as follows:

SOR ¶ 1.a alleges a judgment was filed against Applicant in March 2012 for \$808. Applicant said the debt was from daycare for his son, and it is at least 12 years old. (Tr. 25-26) At first he said the debt was paid, and then he said it was not paid. (Tr. 25-26) He has not contacted the creditor. (Tr. 26) He has not paid the debt because “it just went off [of his] credit report.” (Tr. 27) He is unsure of the status of the debt. (Tr. 27)

SOR ¶ 1.b alleges a charged-off debt for \$21,036. The debt resulted from the voluntary repossession of Applicant’s vehicle. (Tr. 28) He purchased the vehicle in 2014 or 2015, and he believed the amount of the debt was the amount of his loan. (Tr. 28) He made payments for about one year, and then he decided “it wasn’t worth it,” and he stopped making payments. (Tr. 29) After he received the SOR, he asked the creditor about the debt. (Tr. 30) The creditor responded that they would investigate the debt. (Tr. 30) He was unable to learn the current holder of the debt and the amount owed. (Tr. 30) He has not made any progress resolving this debt. (Tr. 31)

SOR ¶ 1.c alleges a debt that is past due in the amount of \$1,009 with a total balance of \$5,191. Applicant said the debt was current, and he owed one final payment of \$340. (Tr. 32) He said he would provide proof of payment after his hearing. (Tr. 32)

SOR ¶ 1.d alleges a debt for \$4,159 which was placed for collection. Applicant said the debt resulted from an apartment rental. (Tr. 33-37) Applicant was behind on the rent, and he left without paying what he owed. (Tr. 34) On December 12, 2018, the creditor offered to settle the debt for \$1,247. (Tr. 34; HE 3 at 8) Applicant said he was paying \$60 monthly to address the debt. (Tr. 35) He estimated that he still owed about \$700 to pay this debt. (Tr. 35) He said he had documentation at home to support payment. (Tr. 36)

SOR ¶ 1.e alleges a charged-off debt for \$3,470. In the beginning of 2017, Applicant purchased furniture on credit. (Tr. 37) He made six or seven payments, and then he stopped paying. (Tr. 38) He had no idea why he stopped making payments, and he suggested that he “lost track” of the debt. (Tr. 38) On December 28, 2018, the creditor wrote that the debt was currently \$600, and it had to be paid no later than February 1, 2019, to qualify for the \$700 settlement. (HE 3 at 9) Applicant had paid \$100 to address the debt. (HE 3 at 9) Applicant said he had a payment arrangement with the creditor, and he was paying \$50 a month. (Tr. 39-40)

SOR ¶ 1.f alleges a telecommunications debt for \$473 which was placed for collection. Applicant said he paid the debt last year. (Tr. 40) However, he did not provide proof of payment.

SOR ¶ 1.g alleges a utilities debt for \$189 which was placed for collection. On December 14, 2018, Applicant paid this debt. (Tr. 41; HE 3 at 10)

SOR ¶ 1.h alleges a charged-off debt for \$13,221. Around 2000, Applicant borrowed funds to purchase a truck. (Tr. 43) Applicant was unemployed for about six months in 2003, and he was unable to make payments to address the truck loan. (Tr. 43)

His truck was repossessed. (Tr. 43) He did not make any payments after the truck was repossessed, and eventually the debt was dropped from his credit report. (Tr. 43-44)

SOR ¶ 1.i alleges a telecommunications debt for \$605 which was placed for collection. Applicant settled the debt by making a \$181 payment. (Tr. 42; HE 3 at 12-13)

Applicant's SOR does not include information about delinquent student loans. Applicant's credit report states he owes about \$89,000 in student loans. (Tr. 55; GE 3 at 9) Applicant said his student loan payments were deferred for the previous five years. (Tr. 55) He said he planned to return to school, and he was not asked by the creditors for a reason for deferment. (Tr. 55-56) I requested that he provide documentation showing the basis for the deferment of his student loans after his hearing (Tr. 57); however, he did not provide any documentation after his hearing supporting his claim of deferment of his student loans. In ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006), the Appeal Board listed five circumstances in which conduct not alleged in an SOR may be considered stating:

- (a) to assess an applicant's credibility;
- (b) to evaluate an applicant's evidence of extenuation, mitigation, or changed circumstances;
- (c) to consider whether an applicant has demonstrated successful rehabilitation;
- (d) to decide whether a particular provision of the Adjudicative Guidelines is applicable; or
- (e) to provide evidence for whole person analysis under Directive Section 6.3.

Id. (citing ISCR Case No. 02-07218 at 3 (App. Bd. Mar. 15, 2004); ISCR Case No. 00-0633 at 3 (App. Bd. Oct. 24, 2003)). See also ISCR Case No. 12-09719 at 3 (App. Bd. April 6, 2016) (citing ISCR Case No. 14-00151 at 3, n. 1 (App. Bd. Sept. 12, 2014); ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006)). I did not consider the allegations of non-SOR delinquent student loans or improperly deferred student loans for any purpose in this case as the record was not developed sufficiently to determine the status of his student loans.

Applicant submitted a letter from his representative indicating he was in the process of challenging the negative entries on Applicant's credit report. (HE 3 at 7) His representative found numerous errors on Applicant's credit report; however, the representative did not indicate any of the SOR debts were listed in error on the credit reports the government provided. (HE 3 at 7; GE 2; GE 3)

Personal Conduct

Applicant's June 7, 2017 SCA asks whether in the previous seven years, Applicant had any judgments entered against him, any property repossessed, defaulted on any loans, debts turned over to a collection agency, accounts charged off, or debts over 120 days delinquent. (GE 1) Applicant answered, no, to all questions pertaining to negative financial information. (GE 1)

SOR ¶¶ 2.a and 2.b allege Applicant had judgments entered against him in March 2012 and January 2014 and the delinquent debts in SOR ¶¶ 1.a through 1.i, and that he failed to disclose them on his June 7, 2017 SCA. In his SOR response, Applicant admitted these two SOR allegations. (HE 3) He understood the question and he knew he had reportable negative financial information. (Tr. 48-53) He did not have a credible explanation for why he did not disclose his delinquent debts. (Tr. 48-53)

Policies

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security emphasizing, “no one has a ‘right’ to a security clearance.” *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). As Commander in Chief, the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information.” *Id.* at 527. The President has authorized the Secretary of Defense or his designee to grant applicant’s eligibility for access to classified information “only upon a finding that it is clearly consistent with the national interest to do so.” Exec. Or. 10865.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with an evaluation of the whole person. An administrative judge’s overarching adjudicative goal is a fair, impartial, and commonsense decision. An administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable.

The Government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and endures throughout off-duty hours. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about potential, rather than actual, risk of compromise of classified information. Clearance decisions must be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” See Exec. Or. 10865 § 7. Thus, nothing in this decision should be construed to suggest that it is based, in whole or in part, on any express or implied determination about applicant’s allegiance, loyalty, or patriotism. It is merely an indication the applicant has not met the strict guidelines the President, Secretary of Defense, and DNI have established for issuing a clearance.

Initially, the Government must establish, by substantial evidence, conditions in the personal or professional history of the applicant that may disqualify the applicant from being eligible for access to classified information. The Government has the burden of establishing controverted facts alleged in the SOR. See *Egan*, 484 U.S. at 531. “Substantial evidence” is “more than a scintilla but less than a preponderance.” See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria

listed therein and an applicant's security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

Once the Government establishes a disqualifying condition by substantial evidence, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An applicant "has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his security clearance." ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). The burden of disproving a mitigating condition never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005). "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531; see AG ¶ 2(b).

Analysis

Financial Considerations

AG ¶ 18 articulates the security concern for financial problems:

Failure to live within one's means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. . . . An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. . . .

The Appeal Board explained the scope and rationale for the financial considerations security concern in ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012) (citation omitted) as follows:

This concern is broader than the possibility that an applicant might knowingly compromise classified information in order to raise money in satisfaction of his or her debts. Rather, it requires a Judge to examine the totality of an applicant's financial history and circumstances. The Judge must consider pertinent evidence regarding the applicant's self-control, judgment, and other qualities essential to protecting the national secrets as well as the vulnerabilities inherent in the circumstances. The Directive presumes a nexus between proven conduct under any of the Guidelines and an applicant's security eligibility.

AG ¶ 19 includes three disqualifying conditions that could raise a security concern and may be disqualifying in this case: "(a) inability to satisfy debts"; "(b) unwillingness to satisfy debts regardless of the ability to do so"; and "(c) a history of not meeting financial obligations." The record establishes AG ¶¶ 19(a), 19(b), and 19(c).

Seven financial considerations mitigating conditions under AG ¶ 20 are potentially applicable in this case:

(a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;

(b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances;

(c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control;

(d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts;

(e) the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue;

(f) the affluence resulted from a legal source of income; and

(g) the individual has made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

The DOHA Appeal Board concisely explained Applicant's responsibility for proving the applicability of mitigating conditions as follows:

Once a concern arises regarding an Applicant's security clearance eligibility, there is a strong presumption against the grant or maintenance of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990), *cert. denied*, 499 U.S. 905 (1991). After the Government presents evidence raising security concerns, the burden shifts to the applicant to rebut or mitigate those concerns. See Directive ¶ E3.1.15. The standard applicable in security clearance decisions is that articulated in *Egan, supra*. "Any doubt concerning personnel being considered for access to classified information will be resolved in favor of the national security." Directive, Enclosure 2 ¶ 2(b).

ISCR Case No. 10-04641 at 4 (App. Bd. Sept. 24, 2013).

A debt that became delinquent several years ago is still considered recent because “an applicant’s ongoing, unpaid debts evidence a continuing course of conduct and, therefore, can be viewed as recent for purposes of the Guideline F mitigating conditions.” ISCR Case No. 15-06532 at 3 (App. Bd. Feb. 16, 2017) (citing ISCR Case No. 15-01690 at 2 (App. Bd. Sep. 13, 2016)).

Applicant had a six-month period of unemployment in 2003, and this unemployment was outside of his control and adversely affected his finances. He is credited with mitigating the following SOR allegations: ¶ 1.e because he has an established payment plan; ¶ 1.g because he provided proof of payment; and ¶ 1.i because he provided proof of payment.

The Appeal Board has previously explained what constitutes a “good faith” effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the “good faith” mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant’s debts. The Directive does not define the term “good-faith.” However, the Board has indicated that the concept of good-faith “requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation.” Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy) in order to claim the benefit of [the “good faith” mitigating condition].

(internal citation and footnote omitted) ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001)).

Applicant did not provide documentation relating to most of his SOR debts such as: (1) proof of payments, for example, checking account statements, photocopies of checks, or a letter from the creditor proving that he paid or made any payments to the creditor; (2) correspondence to or from the creditor to establish maintenance of contact; (3) copies of credible debt disputes sent to the creditor and/or credit reporting companies indicating he did not believe he was responsible for the debt and why he held such a belief; (4) evidence of attempts to negotiate payment plans, for example, settlement offers or agreements to show that he was attempting to resolve this debt; or (5) other evidence of progress or resolution.

Applicant’s credit reports indicate that several of his debts are in charged-off status. Eventually the charged-off debts will be dropped from his credit report. “[T]hat some debts have dropped off his credit report is not meaningful evidence of debt resolution.” ISCR Case No. 14-05803 at 3 (App. Bd. July 7, 2016) (citing ISCR Case No. 14-03612 at 3 (App. Bd. Aug. 25, 2015)). The Fair Credit Reporting Act requires removal of most negative financial items from a credit report seven years from the first date of delinquency or the debt becoming collection barred because of a state statute of limitations, whichever is longer. Debts may be dropped from a credit report upon dispute

when creditors believe the debt is not going to be paid, a creditor fails to timely respond to a credit reporting company's request for information, or when the debt has been charged off. Applicant's failure to provide more evidence of debt resolution precludes mitigation of the charged-off debts on his credit report.

There is insufficient evidence about why Applicant was unable to make greater progress sooner resolving his SOR debts. There is insufficient assurance his financial problems are resolved, under control, and will not recur in the future. Under all the circumstances, he failed to establish that financial considerations security concerns are mitigated.

Personal Conduct

AG ¶ 15 explains why personal conduct is a security concern stating:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness and ability to protect classified information. Of special interest is any failure to provide truthful and candid answers during the security clearance process or any other failure to cooperate with the security clearance process.

AG ¶ 16 describes one condition that could raise a security concern and may be disqualifying in this case, "(a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire . . . used to conduct investigations, . . . determine security clearance eligibility or trustworthiness. . . ."

The Appeal Board has cogently explained the process for analyzing falsification cases, stating:

(a) when a falsification allegation is controverted, Department Counsel has the burden of proving falsification; (b) proof of an omission, standing alone, does not establish or prove an applicant's intent or state of mind when the omission occurred; and (c) a Judge must consider the record evidence as a whole to determine whether there is direct or circumstantial evidence concerning the applicant's intent or state of mind at the time the omission occurred. [Moreover], it was legally permissible for the Judge to conclude Department Counsel had established a prima facie case under Guideline E and the burden of persuasion had shifted to the applicant to present evidence to explain the omission.

ISCR Case No. 03-10380 at 5 (App. Bd. Jan. 6, 2006) (citing ISCR Case No. 02-23133 (App. Bd. June 9, 2004)).

Applicant's June 17, 2017 SCA asked five questions relating to his finances in the last seven years: (1) did he have a judgment entered against him; (2) did he have any charged-off accounts; (3) has he had any property repossessed; (4) has he had any debts

turned over to a collection agency; and (5) has he been over 120 days delinquent on any debt. He answered, no, to all five questions, when his answers should have been, yes. He understood the questions, and he was well aware of his financial problems, especially relating to his repossessed vehicles and debts over 120 days delinquent. AG ¶ 16(a) is established.

AG ¶ 17 provides seven conditions that could mitigate security concerns in this case:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by improper or inadequate advice of authorized personnel or legal counsel advising or instructing the individual specifically concerning the security clearance process. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that caused untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur;

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress;

(f) the information was unsubstantiated or from a source of questionable reliability; and

(g) association with persons involved in criminal activity has ceased or occurs under circumstances that do not cast doubt upon the individual's reliability, trustworthiness, judgment, or willingness to comply with rules and regulations.

None of the mitigating conditions apply to Applicant's intentional false statement about his finances on his SCA. His false statement is recent, serious, and deliberate. He failed to meet his burden of mitigating this conduct.

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an Applicant's eligibility for a security clearance by considering the totality of the Applicant's conduct and all the circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(d):

(1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Under AG ¶ 2(c), "[t]he ultimate determination" of whether to grant a security clearance "must be an overall commonsense judgment based upon careful consideration of the guidelines" and the whole-person concept. My comments under Guideline F are incorporated in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under that guideline but some warrant additional comment.

Applicant is 45 years old, and a DOD contractor has continuously employed him as an audio-visual technician for the previous six years. In 1992, he graduated from high school. He needs to complete five classes to receive a bachelor's degree in information technology. His two children are ages 20 and 25. He has two grandchildren. Applicant provides some financial assistance to his children and grandchildren.

Applicant mitigated three SOR allegations: ¶¶ 1.e, 1.g, and 1.i. The remaining six SOR allegations total \$44,888, and they were not mitigated. He did not provide proof of any payments, established payment plans, or other mitigation in relation to these six debts. Applicant was not truthful on his June 7, 2017 SCA about his delinquent debts. He knowingly failed to disclose his delinquent debts and financial problems.

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against the granting a security clearance. See *Dorfmont*, 913 F. 2d at 1401. Unmitigated financial considerations and personal conduct security concerns lead me to conclude that grant of a security clearance to Applicant is not warranted.

I have carefully applied the law, as set forth in *Egan*, Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person. Financial considerations and personal conduct security concerns are not mitigated.

Formal Findings

Formal findings For or Against Applicant on the allegations set forth in the SOR, as required by Section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline F: AGAINST APPLICANT

Subparagraphs 1.a, 1.b, 1.c,
1.d, 1.f, and 1.h: Against Applicant
Subparagraphs 1.e, 1.g, and 1.i: For Applicant

Paragraph 2, Guideline E: AGAINST APPLICANT

Subparagraphs 2.a and 2.b: Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the interests of national security to grant or continue Applicant's eligibility for a security clearance. Eligibility for access to classified information is denied.

Mark Harvey
Administrative Judge