



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



In the matter of:)
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)
Applicant for Security Clearance)

ISCR Case No. 19-03703

Appearances

For Government: Kelly Folks, Esq., Department Counsel
For Applicant: *Pro se*

10/29/2021

Decision

HARVEY, Mark, Administrative Judge:

All of the debts alleged on the statement of reasons (SOR) are resolved. Applicant has established a track record of successful debt resolution. He mitigated security concerns arising under Guideline F (financial considerations). Eligibility for access to classified information is granted.

Statement of the Case

On February 27, 2019, Applicant completed and signed a Questionnaire for National Security Positions or security clearance application (SCA). (Government Exhibit (GE) 1) On March 6, 2020, the Defense Counterintelligence and Security Agency Consolidated Adjudications Facility (DCSA CAF) issued an 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 DCSA 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 Guideline F. (HE 2) On April 2, 2020, Applicant responded to the SOR and requested a hearing. (HE 3) Processing of Applicant's case was delayed due to the COVID-19 pandemic.

On July 12, 2021, the case was assigned to me. On July 27, 2021, the Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing, setting the hearing for August 26, 2021. (HE 1) The hearing was held as scheduled. During the hearing, Department Counsel offered four exhibits; Applicant offered eight exhibits; there were no objections; and all proffered exhibits were admitted into evidence. (Transcript (Tr.) 14-17; GE 1-4; Applicant Exhibit (AE) A-AE H) On September 1, 2021, DOHA received a transcript of the hearing. The record was scheduled to close on September 24, 2021. (Tr. 53-54, 58) Receipt of Applicant's post-hearing evidence was delayed due to DOHA's transition to a new e-mail system. Applicant provided eight post-hearing documents. (AE I-AE P) The record closed on October 14, 2021. (AE P)

Some details were excluded to protect Applicant's right to privacy. Specific information is available in the cited exhibits and transcript. ISCR and ADP decisions and the Directive are available at website https://doha.osd.mil/Doha/doha_sys.aspx.

Findings of Fact

In Applicant's SOR response, he admitted the SOR allegations in ¶¶ 1.a through 1.k. (HE 3) He also provided mitigating information. His admissions are accepted as findings of fact.

Applicant is 31 years old, and he has been a field service engineer for a DOD contractor since March of 2020. (Tr. 6-8, 18, 20) He served in Iraq, Afghanistan, Jordan, Kuwait, and Dubai. (Tr. 54) He served in Iraq from August 2018 to March 2019, and from October 2019 to March 2020. (AE M) From March 2019 to October 2019, he served in Kuwait. (*Id.*) From March 2020 to present, he served in Jordan. (*Id.*) He recently changed his career to network engineer. (Tr. 56)

In 2008, Applicant graduated from high school. (Tr. 6) In 2013, he was awarded a bachelor's degree with a major in criminal justice and with a minor in sociology. (Tr. 7, 19) He has about 12 credit hours of post graduate education. (Tr. 7) He was awarded three professional certifications. (Tr. 19; AE N) He served in the Air Force from 2008 to 2014; he was an E-4 when he was discharged; and he received an honorable discharge. (Tr. 7-8, 23; AE K) His Air Force specialty was security forces. (Tr. 7) He married in 2016, and he was divorced in 2017. (Tr. 8, 19) His former spouse has custody of their five-year-old son, and he is current on his child support. (Tr. 9, 19) He pays about \$1,500 monthly to support his son. (Tr. 43).

Financial Considerations

In 2015, Applicant had more expenses due to the birth of his son, and his annual income was about \$32,000. (Tr. 46; GE 2 at 7) He allowed some debts to become delinquent in order to ensure his son was receiving adequate financial support. (Tr. 47)

He moved to a different city to be near his son, and it was important to him to ensure his son and his son's mother had a place to live. (Tr. 26) Applicant had insufficient income to support two households. (Tr. 40) In 2018, he obtained employment with a higher salary, and he employed a credit-repair company (CRC1) to help him with his credit because he wanted to purchase a home; however, that CRC1 was ineffective. (Tr. 49; GE 2 at 7)

In July 2019, Applicant employed a different credit-repair company (CRC2) to handle his delinquent debts. (Tr. 30; SOR response) He made an initial payment of \$1,500 to CRC2. (Tr. 50) CRC2 was supposed to resolve his debts over a three-year period. (Tr. 50) He gradually saved the funds over about one year to have sufficient funds for CRC2 to settle his debts with single large payments. (Tr. 51; AE A; AE B) CRC2 had direct contact with Applicant's creditors. (Tr. 30) He said he received financial counseling in 2017 or 2018 from a friend. (Tr. 42) He used a chart on CRC2's website to determine the amount of money he could use to resolve his debts. (Tr. 42)

Applicant's current monthly income is about \$12,000. (Tr. 20, 42; AE L) He puts \$600 monthly into a 401(k) account. His income was reduced because of the COVID-19 pandemic. (Tr. 50) He has about \$7,000 in his savings account. (Tr. 51) His student loans are in deferment because of the COVID-19 pandemic federal relief. (Tr. 45) When the student-loan deferment ends, he plans to keep his student-loan current using automatic payments from his bank. (Tr. 45)

On June 11, 2019, an Office of Personnel Management investigator interviewed Applicant. (GE 2) Applicant indicated he was providing about \$2,300 to support his former spouse and son. (*Id.* at 2) In 2018, he had about 28 delinquent accounts on his credit report and the total at that time was about \$100,000. (*Id.* at 3-7) In 2018, and the first half of 2019, he worked diligently and brought most of the debts to current status, including 10 student loans totaling about \$65,000. (*Id.* at 4)

The SOR alleges 11 delinquent debts totaling \$44,533 as follows:

SOR ¶ 1.a alleges that Applicant has a charged-off vehicle loan for \$15,239. He purchased a vehicle; however, he returned the vehicle to the dealer after a week for repairs. (Tr. 48) The dealer had the vehicle for a long time and was unable to make the repairs. (Tr. 48) He opened the account around February 2016, and it became delinquent around September 2019. (Tr. 24) He made a complaint about the dealer to a state entity. (Tr. 48) On August 3, 2021, he settled the \$9,382 debt for \$5,000. (Tr. 24; AE A)

SOR ¶ 1.b alleges that Applicant has a charged-off vehicle loan for \$13,005. He opened the account around May 2014, and the debt became delinquent around December 2015. (Tr. 25-26) On August 5, 2021, he paid the creditor \$4,000 and settled the debt. (Tr. 27; AE B)

SOR ¶ 1.c alleges that Applicant has a charged-off vehicle loan for \$10,521. Applicant cosigned on a vehicle loan with his spouse, and she failed to make the payments. (Tr. 47-48) She decided to get a different vehicle, and the vehicle was repossessed. (Tr. 49) On August 27, 2021, CRC2 wrote advising Applicant that on July

1, 2021, the account was removed from his credit report due to collection being barred by the statute of limitations. (Tr. 28-29; AE I)

SOR ¶ 1.d alleges that Applicant has a past-due telecommunications debt for \$1,157. On March 24, 2020, the creditor wrote the last payment was received on March 17, 2020, and the debt was resolved. (Tr. 30-31; SOR response at 38; AE G)

SOR ¶ 1.e alleges that Applicant has a charged-off debt for \$409. In 2017, this credit-card debt became delinquent. (Tr. 32) Applicant received magazine subscriptions from a company, and he did not believe he should pay for them. (Tr. 33) CRC2 handled the resolution of the debt. (Tr. 33) He believed the debt was settled; however, he did not have a receipt showing the debt was resolved. (Tr. 34) The debt does not appear on his August 24, 2021 Equifax credit report. (AE C)

SOR ¶ 1.f alleges that Applicant has a collection debt for \$385. On March 24, 2020, this creditor wrote that on March 19, 2020, the debt was “legally paid in full . . . for less than the full balance.” (Tr. 35; SOR response at 10; AE E)

SOR ¶ 1.g alleges that Applicant has a collection debt owed to the Defense Finance and Accounting Service (DFAS) for \$560. On April 1, 2020, DFAS wrote that the debt was due to an overpayment in 2019, and the debt was paid. (Tr. 35-36; SOR response at 4)

SOR ¶ 1.h alleges that Applicant has a collection debt for \$1,541. Applicant asked a relative to return telecommunications equipment for him after he was deployed. (Tr. 37) He believed CRC2 was handling resolution of this debt. (Tr. 37) This debt is not listed on his August 24, 2021 Equifax credit report. (AE C)

SOR ¶ 1.i alleges that Applicant has a collection debt for \$698. On March 17, 2020, he paid the remaining amount owed on the debt for \$454. (Tr. 37-38; SOR response at 7; AE F)

SOR ¶ 1.j alleges that Applicant has a collection debt for \$580. Applicant was unsure about resolution of this telecommunications debt, and he suggested it may have originated from not returning equipment when he moved to a different state. (Tr. 38-39) He believed he submitted it for CRC2’s resolution, and that CRC2 had arranged a settlement on the debt. (Tr. 39) This debt is not listed on Applicant’s August 24, 2021 Equifax credit report. (AE C)

SOR ¶ 1.k alleges that Applicant has a collection debt for \$438. On March 11, 2020, the creditor wrote that the account had a zero balance. (Tr. 40-41; SOR response at 23)

Applicant’s August 24, 2021 Equifax credit report indicates no collection accounts. (AE C at 3) This credit report includes the following negative information: the charged-off debts in SOR ¶¶ 1.a and 1.b; three past-due non-SOR education loans that were transferred in 2015; and a paid charged-off non-SOR credit union debt with a zero

balance. (AE C at 72-90) The debts in SOR ¶¶ 1.a and 1.b were settled too recently to have this resolution reflected on his August 24, 2021 Equifax credit report.

On August 16, 2018, Applicant settled a debt in collections for an unspecified amount. (SOR response at 6; AE H) This creditor is not listed on the SOR.

Applicant believes that his actions have demonstrated his financial responsibility. (AE J) All of the debts on his SOR are resolved. (*Id.*)

Character Evidence

Applicant's manager wrote that Applicant is an outstanding employee. (AE O) He mastered an extremely complex system. He volunteered to extend twice in his assignment to the Middle East. (AE M; AE O) Applicant is one of his "most dependable employees," a team player, and a "tremendous asset" to the contractor. (AE O)

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). “It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.” *Richardson v. Perales*, 402 U.S. 389, 401 (1971) (citation omitted). 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 [or her] 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. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. 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 disqualifying conditions that could raise a security concern and may be disqualifying in this case: "(a) inability to satisfy debts"; and "(c) a history of not meeting financial obligations." The record establishes AG ¶¶ 19(b) and 19(c). Further information is in the mitigation section, *infra*.

AG ¶ 20 lists financial considerations mitigating conditions which may be 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; and

(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.

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

The record contains some important disqualifying information. The SOR alleges 11 delinquent debts totaling \$44,533. In 2018, he had approximately 28 delinquent debts totaling about \$100,000.

Several circumstances beyond Applicant’s control adversely affected his finances. He became divorced, and he wanted to ensure that his son received adequate financial support. His income was low, and his debts became delinquent. In 2018, he obtained higher paying employment involving multiple deployments to the Middle East. He used the extra income to pay his debts and to bring other accounts current.

Several of Applicant’s delinquent debts were either charged off or dropped from his credit report or both. “[A] creditor’s choice to charge-off a debt for accounting purposes does not affect the debtor’s obligation to the creditor.” ISCR Case No. 15-02760 at 3 (App. Bd. Dec. 29, 2016). “[N]on-collectability of a debt does not preclude consideration of the debt and circumstances surrounding it in a security clearance adjudication.” ISCR Case No. 15-05049 at 3 (App. Bd. July 12, 2017) (emphasizing security significance of debts despite being charged off).

“[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. See Title 15 U.S.C. § 1681c; Federal Trade Commission website, *Summary of Fair Credit Reporting Act Updates at Section 605*, <https://www.consumer.ftc.gov/articles/pdf-01111-fair-credit-reporting-act.pdf>. 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.

State statutes of limitations for various types of debts range from 2 to 10 years. See Nolo Law for All website, Chart: Statutes of Limitations in All 50 States, <http://www.nolo.com/legal-encyclopedia/statute-of-limitations-state-laws-chart-29941.html>. According to the Federal Trade Commission, Consumer Information webpage, it is illegal under the Fair Debt Collection Practices Act for a creditor to threaten to sue to collect a time-barred debt. <http://www.consumer.ftc.gov/articles/0117-time-barred-debts>. CRC2 told Applicant that the debt in SOR ¶ 1.c was not collectible because of the statute of limitations, and it does not appear on his most recent credit report. The creditor could have preserved this debt by obtaining a judgment against Appellant; however, there is no evidence that the creditor in SOR ¶ 1.c took judicial action to pursue

collection of this debt. The South Carolina Court of Appeals succinctly explained the societal and judicial value of application of the statute of limitations:

Statutes of limitations embody important public policy considerations in that they stimulate activity, punish negligence and promote repose by giving security and stability to human affairs. The cornerstone policy consideration underlying statutes of limitations is the laudable goal of law to promote and achieve finality in litigation. Significantly, statutes of limitations provide potential defendants with certainty that after a set period of time, they will not be [haled] into court to defend time-barred claims. Moreover, limitations periods discourage plaintiffs from sitting on their rights. Statutes of limitations are, indeed, fundamental to our judicial system.

Carolina Marine Handling, Inc. v. Lasch, 363 S.C. 169, 175-76, 609 S.E.2d 548, 552 (S.C. Ct. App. 2005) (internal quotation marks and citations omitted). South Carolina case law is not binding on state courts where Applicant resided; however, the South Carolina Court of Appeals' description of the basis for this long-standing legal doctrine is instructive. See also *Tulsa Professional Collection Services, Inc. v. Pope*, 485 U.S. 478, 486 (1988) (where the U.S. Supreme Court noted that "The State's interest in a self-executing statute of limitations is in providing repose for potential defendants and in avoiding stale claims."). While Applicant's reliance on CRC2's recommendation for disposition of SOR ¶ 1.c may be sound financial advice, it is not sound advice in a security context because debtors are expected to repay their debts if they have the financial means to do so. In this instance, Applicant lacked the means until recently to repay and resolve his delinquent debts. He relied on CRC2's advice while he was deployed to the Middle East to resolve his debts. This reliance was misplaced in regard to security concerns.

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 [or the statute of limitations]) in order to claim the benefit of [the "good faith" mitigating condition].

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) (internal citation and footnote omitted)). Applicant showed good faith when he resolved 10 of 11 SOR debts. I found his statement at his hearing to be candid and credible. The delinquent debt in SOR ¶ 1.c occurred under such circumstances that it is unlikely to recur. There are clear indications his financial problems are under control. His overall handling his finances does not cast doubt on his current

reliability, trustworthiness, or good judgment. Financial considerations security concerns are mitigated.

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 31 years old, and he has been a field service engineer for a DOD contractor since March of 2020. He served in Iraq, Afghanistan, Jordan, Kuwait, and Dubai. In 2013, he was awarded a bachelor's degree. He has about 12 credit hours of post graduate education. He was awarded three professional certifications. He served in the Air Force from 2008 to 2014, and he received an honorable discharge. He married in 2016, and he was divorced in 2017. His former spouse has custody of their five-year-old son, and he is current on his child support. He pays about \$1,500 monthly to support his son.

Applicant's manager wrote that Applicant is an outstanding employee. He mastered an extremely complex system. He is one of the contractor's "most dependable employees," a team player, and a "tremendous asset." (AE O)

Applicant acted responsibly under the circumstances, when he resolved all of his delinquent SOR debts. He understands that he needs to pay his debts, keep his accounts in current status, and the conduct required to retain his security clearance.

The Appeal Board has addressed a key element in the whole-person analysis in financial cases stating:

. . . the concept of meaningful track record necessarily includes evidence of actual debt reduction through payment of debts. However, an applicant is

not required, as a matter of law, to establish that he has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he has . . . established a plan to resolve his financial problems and taken significant actions to implement that plan. The Judge can reasonably consider the entirety of an applicant's financial situation and his actions in evaluating the extent to which that applicant's plan for the reduction of his outstanding indebtedness is credible and realistic. See Directive ¶ E2.2(a) (Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.) There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payment of such debts one at a time. Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations and quotation marks omitted). Applicant understands what he needs to do to establish and maintain his financial responsibility. His efforts at debt resolution have established a "meaningful track record" of debt re-payment. I am confident he will maintain his financial responsibility.

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against granting a security clearance. See *Dorfmont*, 913 F. 2d at 1401. I have carefully applied the law, as set forth in *Egan*, Exec. Or. 10865, the Directive, the AGs, and the Appeal Board's jurisprudence to the facts and circumstances in the context of the whole person. Applicant mitigated financial considerations security concerns.

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: FOR APPLICANT

Subparagraphs 1.a through 1.k: For Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is clearly consistent with the national interest to grant or continue Applicant's eligibility for access to classified information. Eligibility for access to classified information is granted.

Mark Harvey
Administrative Judge