



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



In the matter of:)
)
-----) ISCR Case No. 20-01088
)
Applicant for Security Clearance)

Appearances

For Government: Rhett Petcher, Esq., Department Counsel
For Applicant: *Pro se*

12/14/2021

Decision

WESLEY, ROGER C. Administrative Judge

Based upon a review of the case file, pleadings, exhibits, and testimony, Applicant did not mitigate financial consideration or personal conduct concerns. Eligibility for access to classified information or to hold a sensitive position is denied.

Statement of the Case

On November 27, 2020, the Department of Defense (DoD) Consolidated Central Adjudications Facility (CAF) issued a statement of reasons (SOR) to Applicant detailing reasons why under the financial considerations guideline the DoD could not make the preliminary affirmative determination of eligibility for granting a security clearance, and recommended referral to an administrative judge to determine whether a security clearance should be granted, continued, denied, or revoked. The action was taken 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*, (January 2, 1992) (Directive); 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.

Applicant responded to the SOR on December 2, 2020, and requested a hearing. This case was assigned to me on June 1, 2021. A hearing was scheduled for June 24, 2021, and heard on the date as scheduled through the Government's Defense Collaborative System (DCS). At the hearing, the Government's case consisted of six exhibits. (GEs 1-6) Applicant relied on six exhibits (AEs a-F) and one witness (herself). The transcript (Tr.) was received on August 3, 2020.

Procedural Issues

Before the opening of the hearing, the Government moved to amend the SOR to add allegations under Guideline E as follows: Add SOR ¶¶ 2.a to 2.d, to allege Applicant falsified material facts in her electronic questionnaires for investigations processing (e-QIP) of January 16, 2018 and personal subject interview (PSI) of September 2018, by failing to disclose her failure to pay her federal income taxes within the previous seven years.

Responding to the Government's amendment motion, Applicant denied falsifying her e-QIP, claiming she did not knowingly and willfully fail to disclose any tax debt information in her January 2018 e-QIP. Applicant denied knowingly and willfully failing to disclose tax delinquency information to the government investigator who interviewed her September 2018.

Summary of Pleadings

Under Guideline F, Applicant allegedly accumulated (a) delinquent taxes owed the Internal Revenue Service (IRS) for tax years 2013-2016 in the aggregate amount of \$50,449; (b) 18 delinquent student loans exceeding \$108,000; four medical debts exceeding \$11,000; and (d) four consumer debts exceeding \$2,400. Allegedly, these debts remain unresolved and outstanding.

In her response to the SOR, Applicant admitted most of the alleged delinquent debts with explanations. She denied the allegations covered by SOR ¶¶ 1.aa-1.dd, claiming none of these debts appeared on her credit report. For those SOR-listed debts she admitted, she added claims as follows: She had a payment arrangement with the IRS that permits the IRS to keep all of her eligible refunds and will begin making payments in January 2021 to the IRS to cover the balance owing for tax years 2013-2016 without specifying the specific amounts owing. Addressing her listed student loan debts, she claimed she is waiting on a decision from the U.S. Department of Education (DoE) on her loan deferral application. And, she claimed that she could not locate the alleged consumer debts listed in the SOR.

Findings of Fact

Applicant is a 51-year-old employee of a defense contractor who seeks a security clearance. Applicant denied generally each of the allegations in the SOR with explanations covering the financial allegations that included admissions. Findings of fact follow.

Background

Applicant married in August 1988 and divorced in November 2002, attributable to her husband's cited infidelity. (GEs 1-2) She has two adult children from this marriage. (GE 1; Tr. 32) Currently, she provides financial support to her daughter who has been out of work since March 2021 with a succession of surgeries (four in all). (Tr. 33-35) She earned a bachelor's degree in June 2010 and has taken additional classes on-line in pursuit of a master's degree in business administration. (GEs 1-2; Tr. 38) Applicant did not report any military service and has never held a security clearance. (GE 1) She is currently sponsored by her present employer for a security clearance. (Tr. 27-28)

Since January 2018, Applicant has been employed by her current employer as a planner. (GEs 1-2; Tr. 38) Between July 2016 and January 2018, she worked for another defense contractor before quitting her job over cited stressful working conditions. (GE 1; Tr. 38-40) Prior to July 2016, she was employed by various non-defense employers. (GEs 1-2) For her reported periods of unemployment between July 2016 and January 2018, she did not collect any unemployment benefits and relied on her savings and 401(k) retirement funds to sustain her personal needs. (GEs 1-2)

Applicant's finances

Between 2013 and 2016, Applicant accumulated delinquent federal taxes owed the IRS for tax years 2013-2016. (GEs 1-3) Altogether, she accrued over \$50,000 in delinquent federal taxes. Summarized, she accrued \$7,811 for 2012, \$6,323 for 2013, \$6,238 for 2014, and \$8,563 for 2015. (GE 2; Tr. 60-61)

In June 2015, Applicant entered into an installment agreement with the IRS to pay off her accrued \$1,139 in back taxes for the covered tax years of 2013-2016, in addition to added interest and penalties. (GE 2) From the submitted IRS transcripts for tax years 2013-2016, Applicant was credited with \$16,461 in withholding on her \$31,139 in calculated taxes owed for tax years 2012-2015, leaving a total shortfall of \$14,478. For these taxes still owed, the IRS added interest and penalties that brought the amount owed for these tax years to \$50,490. (GEs 1-3)

For the two years Applicant's 2016 installment agreement remained in force, Applicant made no documented voluntary payments in compliance with the terms of her IRS agreement. (GEs 1-3) During this tax period, she deferred to the IRS in the Service's attaching of her credited tax refunds to fulfill the terms of her installment agreement. (GEs 1-3) Compounding her tax payment defaults with her installment agreement, Applicant was taxed on her 401(k) loans by the IRS, who treated her loans as withdrawals for tax purposes, after she reportedly failed to comply with her loan repayment terms. (Tr. 42-43) Claiming she was placed in a "non-collectible status" following her exit from a previous employer in July 2016, she provided no documentation to substantiate her claims. (Tr. 21-22) Further, placement of her tax debts in a non-collectible list would not under Applicant's cited circumstances extinguish her debts, but would only suspend IRS enforcement by collection measures.

By June 2018, the IRS had restored Applicant's 2015 delinquent tax account to collectible status. (GE 2; Tr. 52-53) And, in October 2018, the IRS issued a notice of a federal tax lien filing. (GE 3) To avert potential tax levies on her earnings, she entered into a second installment agreement with the IRS in August 2018 to cover her back taxes owed for tax years 2013-2016. (GE 2) For several months in 2016, she complied with the IRS's repayment terms with monthly \$300 payments. (Tr. 24) Lacking sufficient resources to keep up with her monthly IRS payments, she ceased making her \$300 monthly payments and defaulted on her 2018 installment agreement with the IRS. (Tr. 2)

Finding in July 2019 that Applicant had failed to stay compliant with the terms of her 2018 installment agreement, the IRS canceled Applicant's installment agreement and placed her in a levy program. (GE 2; Tr. 56) For the past two years, Applicant has relied on the IRS's involuntary attachments of her approved tax refunds to cover her owed back taxes. (GE 3; Tr. 59-60) Since being returned to a collectible status, she has not tried to work with the IRS on negotiating a new repayment plan, and has accepted the IRS garnishment of her designated refunds as her chosen means of satisfying her federal tax obligations. (Tr. 60-61)

In July 2020, Applicant was notified by the IRS that her accrued tax debts for tax year 2014 has been referred to a private collection agency. (AE D) While the accrued tax debts for the remaining years were not included in the collection assignment, presumably they remain unresolved and subject to collection enforcement as well.

Besides her IRS debts, Applicant has accumulated delinquent student loan debts to the lenders who financed her college education (covered by SOR ¶¶s 1.b-1.h and 1.m-1.w). (GEs 1-6; Tr. 26-27) Between March 2006 and June 2010, Applicant accumulated over \$108,000 in student loans to cover both her on-line and on-site college courses. (GEs 2 and 4-6 and AE E; Tr. 14) These loans became delinquent in June 2013 and have not been addressed by Applicant to date with payment or payment plans.

While Applicant's student loans are currently deferred under the Cares Act, she will need a new payment plan once the deferment expires. She continues to wait for the disposition of her borrower's defense application that she filed in August 2019. (AE E; Tr. 13-14, 20) Applicant's student loan delinquencies still total more than \$108,000 in aggregate loan indebtedness and can be expected to be returned to default status by her student loan lender once her deferment expires. (GE 2, 4-6 and AE E)

Additional delinquent debts accumulated by Applicant include four medical debts exceeding \$1,100 (covered by SOR ¶¶ 1.i and 1.aa-1.cc) and four consumer debts exceeding \$2,400 (covered by SOR ¶¶. 1.i, 1.x, 1.z, and 1.dd). These debts are well documented in Applicant's credit reports (GEs 4-6), and were acknowledged by Applicant to belong to her in her PSI. (GE 2) While they no longer appear on her latest credit report, she provided no probative evidence of her own of ever paying these debts (AE A; Tr. 74-77) Still, because these debts were not validated in her most recent June

2021 credit report, Applicant disclaimed them and provided no assurances that she would ever pay them. (AE A; Tr. 26-27, 74-77) At this time, these medical and consumer debts remain unresolved and outstanding.

Applicant submitted a budget she developed in June 2021 that lists her monthly expenses totaling \$3,284 (AE C). She reported gross monthly income of \$3,765 and net monthly income of \$939. (AE C; Tr. 37) While working for a prior defense contractor, she earned somewhere between \$57,000 and \$60,000 a year as a salaried employee. (Tr. 40-41) She has a 401(k) retirement account with an approximate balance of \$26,000 (Tr. 77), and she acknowledged living basically “paycheck to paycheck.” (Tr. 79) Applicant is credited with receiving some financial counseling; although most of the counseling described by Applicant focused mostly on credit repair. (Tr. 70)

Applicant’s e-QIP and PSI omissions

Asked to complete an e-QIP in January 2018, Applicant failed to disclose her owed federal income taxes for the previous seven years (i.e., for federal tax years 2013-2017). (GEs 1-3) In her 2018 e-QIP, she also omitted her current federal taxes owed. Claiming she paid some federal taxes owed prior to 2018 (although not all), Applicant denied any knowing and willful intent to falsify her e-QIP. (Tr. 47-48) Applicant’s explanations lack sufficient plausibility and credibility to satisfy evidentiary proof requirements and are not persuasive enough to avert inferences of knowing and willful failure to list her back federal taxes owed for tax years 2015-2016.

In a follow-up PSI with an OPM investigator in September 2018, Applicant was asked by the investigator whether she had any delinquent federal debt, she answered “yes” and listed her federal student loans without mentioning her delinquent federal taxes. owed. (GE 2) She declined to provide any voluntary affirmative answers to the investigator about her delinquent federal taxes, and the investigator never broached the subject. (GE 2; Tr. 54-55) Citing her placement in a non-collectible tax status, she claimed she did not knowingly and willfully omit material tax information in her e-QIP. (Tr. 22-23) By the time of her PSI in September 2018, however, her non-collectible tax status had been changed back by the IRS to a collectible status. (Tr. 55) Acknowledging the status change, Applicant claimed she was still negotiating with the IRS over a new repayment plan.

So, even though Applicant had not made more than a few \$300 payments to the IRS under her 2016 installment agreement, she failed to acknowledge her delinquent tax debts to the OPM investigator who interviewed her in September 2018. (Tr. 56) Asked why she declined to mention her change of tax status to a collectible status to the investigator during her PSI, she declined to provide any clear explanation of her actions. (Tr. 55)

Applicant’s claims of a lack of any practical working knowledge of any federal tax debts owed when she completed her 2018 e-QIP and when she later appeared for her follow-up PSI in September 2018, are not reconcilable with her hearing acknowledgements of owing back federal taxes for tax years 2013-2016. (GE 3; Tr. 22-

23) At no time before the hearing did Applicant offer any corrections to her tax delinquency omissions or explanations for her them. Based on a thorough review of the evidence, inferences are warranted of Applicant's failure to provide honest and candid answers to the OPM investigator's inquiries about her tax delinquencies.

Policies

By virtue of the jurisprudential principles recognized by the U.S. Supreme Court in *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988), "no one has a 'right' to a security clearance." 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. Eligibility for access to classified information may only be granted "upon a finding that it is clearly consistent with the national interest to do so." Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended.

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 AGs list guidelines to be considered by judges in the decision-making process covering DOHA cases. These guidelines take into account factors that could create a potential conflict of interest for the individual applicant, as well as considerations that could affect the individual's reliability, trustworthiness, and ability to protect classified information. These guidelines include conditions that could raise a security concern and may be disqualifying (disqualifying conditions), if any, and all of the conditions that could mitigate security concerns, if any.

These guidelines must be considered before deciding whether or not a security clearance should be granted, continued, or denied. Although, the guidelines do not require judges to place exclusive reliance on the enumerated disqualifying and mitigating conditions in the guidelines in arriving at a decision.

In addition to the relevant AGs, judges must take into account the pertinent considerations for assessing extenuation and mitigation set forth in ¶ 2(a) of the AGs, which are intended to assist the judges in reaching a fair and impartial, commonsense decision based on a careful consideration of the pertinent guidelines within the context of the whole person. The adjudicative process is designed to examine a sufficient period of an applicant's life to enable predictive judgments to be made about whether the applicant is an acceptable security risk.

When evaluating an applicant's conduct, the relevant guidelines are to be considered together with the following ¶ 2(d) factors: (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 of the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Viewing the issues raised and evidence as a whole, the following individual guidelines are pertinent herein:

Financial Considerations

The Concern: Failure or inability 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 or 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 acts or otherwise questionable acts to generate funds. . . . AG ¶ 18.

Personal Conduct

The Concern: 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 or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes. . . . AG ¶ 15.

Burdens of Proof

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. See *also* Exec. Or. 12968 (Aug. 2, 1995), § 3.1.

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 [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

Security concerns are raised over Applicant’s accumulation of delinquent tax, student loan, medical, and consumer debts over a number of years (2013-2016). Additional security concerns are raised over her omissions of her tax debts accrued over the previous seven years in the e-QIP she completed in January 2011, and in her ensuing OPM interview in September 2018.

Financial concerns

Applicant’s accumulation of delinquent debts (comprised of tax, student loans, medical, and consumer debts) warrant the application of four of the disqualifying conditions (DC) of the financial consideration guidelines: DC ¶¶ 19(a), “inability to satisfy debts”; 19(b), unwillingness to satisfy debts regardless of the ability to do so”; 19(c), “a history of not meeting financial obligations,” and 19(f), “failure to file or fraudulently filing annual Federal, state, or local income tax returns, or failure to pay annual Federal, state, or local income tax as required.” Each of these DCs apply to Applicant’s situation.

Applicant’s admitted debts with explanations require no independent proof to substantiate them. See Directive 5220.6 at E3.1.1.14; *McCormick on Evidence* § 262 (6th ed. 2006). Her admitted debts are fully documented and create judgment issues as well over the management of her finances. See ISCR Case No. 03-01059 (App. Bd. Sept. 24, 2004). Although she qualified her admissions with explanations, her admissions can be weighed along with other evidence developed during the hearing. Financial stability in a person cleared to protect classified information is required precisely to inspire trust and confidence in the holder of a security clearance that entitles the person to access classified information. While the principal concern of a

security clearance holder's demonstrated difficulties is vulnerability to coercion and influence, judgment, and trust concerns are implicit in cases involving debt delinquencies

Historically, the timing of addressing and resolving debt delinquencies are critical to an assessment of an applicant's trustworthiness, reliability, and good judgment in following rules and guidelines necessary for those seeking access to classified information or to holding a sensitive position. See ISCR Case No. 14-06808 at 3 (App. Bd. Nov. 23, 2016); ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). Applicant's cited financial difficulties associated with her lengthy history of accumulating delinquent debts in connections with her federal taxes, student loans, and medical and consumer accounts preclude her from taking advantage of most of the potentially available extenuating and mitigating benefits. While some extenuating benefit to Applicant is warranted based on her reported period of unemployment between 2016 and 2018, her personal obligations for the back federal taxes, student loans, medical, and consumer debts remained with her following her return to full-time employment in 2018.

Application of mitigating condition MC 20(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," has partial application. Applicant's failure to satisfy the second prong ("acted responsibly under the circumstances") of MC 20(b) is conjunctive and is the key prong that prevents her from gaining any more than limited application of MC 20(b)

While Applicant is credited with utilizing financial counseling services, most of these services were devoted to repairing her credit report with the removal of creditors with listed old debts, and much less in helping Applicant to address her overdue debts with workable repayment plans. Without more evidence of financial counseling designed to help Applicant resolve her debts, MC ¶ 20(c) cannot be applied to the facts of Applicant's case.

In evaluating Guideline F cases, the Appeal Board has stressed the importance of a "meaningful track record" that includes evidence of actual debt reduction through the voluntary payment of accrued debts. ISCR case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) In Applicant's case, she has failed to take any documented voluntary steps to address her accumulated delinquent federal tax, student loan, medical, and consumer debts and provide persuasive proof of her voluntary addressing her delinquent debts at bay.

Debts reduced through involuntary initiatives, such as creditor garnishments, attachments, and foreclosures, generally do not meet the mitigation requirements of MC ¶ 20d), "the individual initiated and is adhering to a good-faith to repay overdue creditors or otherwise resolve debts." Likewise, delinquent debts claimed to have been paid require documented proof of payment.

The Appeal Board has consistently imposed evidentiary burdens on applicants to provide documentation corroborating actions taken to resolve financial problems, whether the issues relate to back taxes, student loans, or other debts and accounts. See ISCR Case No. 19-02593 at 4-5 (App. Bd. Oct. 18, 2021); ISCR Case No. 19-01599 at 3 (App. Bd. Jan. 20, 2020). For similar reasons, potentially applicable statutes of limitation and debts removed from credit reports for reasons other than payment or resolution by other voluntary means (to include successful disputes of debts) cannot be equated with good-faith efforts to repay overdue creditors. See, e.g., ISCR Case No. 03-04779 (App. Bd. July 2005); ISCR Case No. 02-3030, at 3 (App. Bd. April 2004) (quoting ISCR Case No. 99-9020, at 5-6 (App. Bd. June 2001))

Simply because Applicant's medical (six in all) and consumer (five altogether) debts no longer appear on Applicant's latest credit report, they cannot be credited as voluntarily paid or otherwise resolved. Debts removed from an applicant's credit report require independent evidence of voluntary, good-faith payment efforts for debt resolution credit. To date, Applicant has not provided any evidence of good-faith payments of these debts.

Personal conduct concerns

Security concerns are raised over Applicant's e-QIP omissions of her failure to pay federal income taxes over the course of the previous seven years and her failure to disclose her tax delinquencies during her September 2018 PSI. None of Applicant's omissions of her past federal tax delinquencies were voluntarily corrected by Applicant before her hearing.

Applicable DCs are ¶¶ 16(a), "deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine national security eligibility or trustworthiness, or award fiduciary responsibilities," and 16(b), "deliberately providing false or misleading information; or concealing or omitting information, concerning relevant facts to an employer, investigator, security official, competent medical or mental health professional involved in making a recommendation relevant to a national security eligibility determination, or other official government representative," apply to Applicant's situation.

Based on the evidence presented, none of the mitigating conditions apply to the facts of Applicant's case. Providing false information in her e-QIP about the status of her federal taxes and failing to provide prompt, good faith corrections and clarifications to the OPM investigator who interviewed her in September 2018, not only impaired the DoD's ability to ascertain Applicant's past and current financial condition, but revealed serious lapses of candor and judgment by Applicant. Implicit in Applicant's failure to provide truthful and candid answers in her e-QIP and PSI investigator about her past and current tax delinquencies was a lack of material cooperation with Government investigators during a national investigative process.

Whole-person assessment

Whole-person assessment of Applicant's clearance eligibility requires consideration of whether her finances are fully compatible with minimum standards for holding a clearance. While Applicant is entitled to credit for her work in the defense industry, her efforts are not enough at this time to overcome her failures to resolve her accumulated tax, student loan, medical, and consumer debt delinquencies with good-faith initiatives following her return to full-time employment in 2018. Overall trustworthiness, reliability, and good judgment have not been established in this evidentiary record.

Applicant's past and present failures to address and resolve her accumulated student debt delinquencies reflect adversely on her ability to maintain her finances in a sufficiently stable manner to meet the minimum requirements for holding a security clearance. Trust concerns are compounded by Applicant's recurrent lapses in candor and judgment evidenced by her omissions of her past and present federal tax delinquencies in her 2019 e-QIP and follow-up PSI.

Based on a consideration of all of the facts and circumstances considered in this case, it is too soon to make safe predictions that Applicant will be able to voluntarily, or even involuntarily, mitigate the Government's financial and personal conduct concerns within the foreseeable future. More time is needed for Applicant to establish the requisite levels of stability with her finances and trust in her disclosures of background information to Government investigators to establish her overall worthiness for holding a security clearance.

I have carefully applied the law, as set forth in *Department of Navy v. Egan*, 484 U.S. 518 (1988), Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person. I conclude financial considerations and personal conduct security concerns are not mitigated. Eligibility for access to classified information is denied.

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:

Guideline F (FINANCIAL CONSIDERATIONS): AGAINST APPLICANT

Subparagraphs 1.a-1.dd: Against Applicant

Guideline E (PERSONAL CONDUCT): AGAINST APPLICANT

Subparagraph 2.a-2.d: Against Applicant

Conclusion

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

Roger C. Wesley
Administrative Judge