



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



In the matter of:)
)
) ISCR Case No. 20-03377
)
Applicant for Security Clearance)

Appearances

For Government: Andrea M. Corrales, Esq., Department Counsel
For Applicant: *Pro se*

08/22/2022

Decision

HARVEY, Mark, Administrative Judge:

Applicant failed to make payments on four federally-insured student loans listed on the statement of reasons (SOR). Guideline F (financial considerations) security concerns are not mitigated. Eligibility for access to classified information is denied.

Statement of the Case

On September 6, 2017, Applicant completed and signed an Electronic Questionnaires for National Security Positions (SF 86) or security clearance application (SCA). (Government Exhibit (GE) 1). On January 28, 2021, 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; Department of Defense (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 February 6, 2021, Applicant provided a response to the SOR, and he requested a hearing. (HE 3) On March 26, 2021, Department Counsel was ready to proceed. Processing of the case was delayed due to the COVID-19 pandemic. On April 5, 2022, the case was assigned to me. On May 6, 2022, the Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing, setting the hearing for June 23, 2022. (HE 1) The hearing was held as scheduled.

Department Counsel offered eight exhibits into evidence, and Applicant offered six exhibits into evidence. (Transcript (Tr.) 17-22; GE 1-GE 8; Applicant Exhibit (AE) A-AE F) There were no objections, and all proffered exhibits were admitted into evidence. (Tr. 18, 22) On July 14, 2022, DOHA received a transcript of the hearing. The record was held open until July 29, 2022, to enable Applicant to provide additional documentation. (Tr. 56, 58) Four post-hearing documents were received and admitted into evidence without objection. (AE G-AE J) The record closed on July 19, 2022. (AE J at 1)

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

Findings of Fact

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

Applicant is a 64-year-old telecommunications technician who has worked for DOD contractors at the same location since 1985. (Tr. 6, 8-9, 24-25; GE 1 at 10-12) He is a high school graduate, and in 2005, he received an associate's degree in electronics technology. (Tr. 6-7; GE 1 at 9) He was married from 1985 to 2005, and his sons are ages 29 and 31. (Tr. 7-8) He was deployed to Germany while he was on active duty in the Air Force. (Tr. 27) He received an Outstanding Unit Award and an Air Force Commendation Medal. (Tr. 27-28) He honorably served in the Air Force from 1978 to 1984. (Tr. 8) He has held a security clearance for about 40 years. (Tr. 26) There is no evidence of security violations, arrests, convictions, use of illegal drugs, or abuse of alcohol. (GE 1)

Financial Considerations

In the last 10 years, Applicant's income has varied from \$60,000 to \$80,000. (Tr. 25) His base salary is \$44 an hour, and he frequently receives overtime pay. His total monthly expenses are about \$1,750. (Tr. 32) He has a monthly remainder of about \$2,000. (Tr. 32) His adjusted gross income (AGI) on his IRS Form 1040 for three recent tax years (TY) was as follows (rounded to nearest \$1,000): 2019 (\$79,000); 2020 (\$76,000); and 2021 (\$78,000). (AE G-AE I) Each TY he owed \$500 to \$1,000. (*Id.*) Thus, no federal income tax refund was available for transfer to address unpaid federal student loans for those three TYs. He does not owe any tax debts.

Applicant has about \$24,000 in his checking account, a certificate of deposit valued at \$104,000, and about \$885,000 in a retirement account. (Tr. 29-30) After his divorce,

he was supposed to receive about \$700 monthly from his former spouse because he had custody of his two sons. (Tr. 31) The confluence of events relating to his divorce, decline in the housing market, and his sons needing financial support while in college caused his financial problems. (Tr. 55) He elected to financially support his sons instead of paying his mortgage. (Tr. 55) His two sons currently have excellent jobs. (Tr. 56)

The January 28, 2021 SOR alleges seven delinquent debts as follows:

SOR ¶ 1.a alleges a \$500 delinquent medical debt, which resulted when Applicant's son was injured and taken to the hospital in an ambulance. (Tr. 33) He believed his son requested that his health insurance cover the bill. (Tr. 34) His son moved five times, and his son evidently did not receive the bills. (Tr. 35) Several months before his hearing he contacted his son, and his son said he would take care of the bill. (Tr. 36) On July 19, 2022, Applicant paid this debt, and he provided a confirmation number. (AE J)

SOR ¶¶ 1.b through 1.e allege four student-loan debts totaling about \$48,600 placed for collection for \$8,360, \$18,215, \$13,666, and \$8,352. Applicant borrowed the funds to enable his son to attend college. (Tr. 36-37) His son graduated from college in 2019, and then his student loans were deferred for six months. (Tr. 37) Applicant received delinquency notices and contacted his son. He erroneously believed his son was paying on the loans because his son repeatedly assured him he was paying the student loans; however, his son was apparently making payments on different student loans. (Tr. 38, 40-41)

After receiving two or three notices, around March 2020, Applicant's pay was garnished for \$700 a month. (Tr. 39-41) After his pay was garnished, he called the Department of Education (D. Ed.) and asked them to transfer the loans under his son's name; however, D. Ed. refused. (Tr. 39-40, 42) Applicant's son agreed to pay Applicant, and then Applicant was going to pay D. Ed. (Tr. 39) Garnishments occurred in March and April 2020. (Tr. 41)

In March 2020, as a result of the COVID-19 pandemic, the D. Ed. placed federal student loans in forbearance, and Applicant's scheduled garnishment for May 2020 did not occur. (Tr. 39, 41) The D. Ed. extended the student-loan payment pause through August 31, 2022. The pause includes the following relief measures for eligible loans: a suspension of loan payments; a 0% interest rate; and stopped collections on defaulted loans. See Federal Student Aid website, <https://studentaid.gov/announcements-events/covid-19>. Applicant said "I certainly have the assets to pay this off and I have no trouble doing so. I'm just waiting for the Government's next move." (Tr. 39, 44) He expected the garnishments to resume soon, and he emphasized "I certainly can pay the balance off at any time." (Tr. 43)

Applicant's June 9, 2022 credit report indicates the following for his four D. Ed. student-loan debts: high credit of \$6,000 and current balance \$8,360; high credit of \$12,000 and current balance of \$18,215; high credit of \$9,000 and current balance of

\$13,666; and high credit of \$6,000 and current balance of \$8,352. (GE 2 at 3-4) The debts were all at least six-months delinquent before the federal forbearance. (*Id.*)

SOR ¶¶ 1.f and 1.g allege a delinquent mortgage and a home equity account owed to the same mortgage company which may have been resolved through a foreclosure in 2015. In 2003, Applicant purchased a home in 2003 with a \$140,000 mortgage, which was subsequently refinanced for \$165,000. (Tr. 45-46) In 2008, he borrowed \$95,000 through a home equity loan. (Tr. 46) In 2015, he was not receiving all of the \$700 monthly payments from his former spouse for child support, and his two sons were in college and had significant expenses. (Tr. 47-48) He could not afford the payments on his mortgage and home equity loan. (Tr. 47) He said “the financial demands of my two kids [were] more important [than] saving the family home.” (Tr. 50) He discussed refinancing with his mortgage company, and they may have suggested that he stop making payments. (Tr. 48) He kept providing documentation for the refinancing of his residence; however, the mortgage company was never satisfied with the documentation he submitted. (Tr. 48-49) He did not make any payments for 6 to 12 months and the creditor foreclosed on the property in 2015. (Tr. 49)

Applicant learned that the federal government had sued his mortgage lender for unfair lending practices. (Tr. 51; AE D) He contacted the federal government; however, he was not provided documentation showing he was added as a plaintiff to the lawsuit. (Tr. 51) He did not attempt to sell his house as a short sale. (Tr. 53) He was unaware of the amount the house was sold for at the foreclosure. (Tr. 53) He was not specifically advised whether there was a deficiency as a result of the foreclosure. (Tr. 52-53)

Applicant’s May 2, 2022 credit report indicates a high credit \$140,000 joint mortgage account, “pays account as agreed” status, actual payment \$68,847, and a current balance of zero. (GE 2 at 9) His November 25, 2017 credit report indicates a \$95,000 debt owed to the same creditor as his mortgage. (GE 6 at 3) The \$95,000 debt is shown with an account closed designation, foreclosure, and a zero current balance. (*Id.*) Court documents indicate the foreclosure amount was \$169,712. (GE 7 at 5) In March 2016, the court disbursed a “foreclosure surplus.” (GE 8 at 7) I requested that Applicant find out whether there was a deficiency and the status of the foreclosure after the hearing. (Tr. 56-57) However, in light of the evidence of record indicating resolution through forfeiture seven years ago in 2015, I am satisfied that the two debts related to his residence are resolved.

Character Evidence

Applicant has served his country since 1978. (Tr. 55) He believes he is financially responsible. (Tr. 55) His father served the United States in World War II and the Korean War; his grandfather served the United States in World War I; and his brother served the United States in the Vietnam War. (Tr. 54-55) Other relatives also served in the military. (Tr. 54-55)

In 1979, Applicant received letters of appreciation from a colonel, master sergeant, second lieutenant, and civilians. (AE E) He also had excellent performance evaluations.

(AE E) In 1989, 1992, and 2019, he received letters of appreciation or commendation, which lauded his professionalism, ability, initiative, loyalty, devotion to duty, and contributions to mission accomplishment. (AE F) Applicant loves his job and takes great pride in his work. (Tr. 56) He wants to continue to contribute to his employer and his country.

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, *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 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 Director of National Intelligence 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 [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."

In ISCR Case No. 08-12184 at 7 (App. Bd. Jan. 7, 2010), the Appeal Board explained:

It is well-settled that adverse information from a credit report can normally meet the substantial evidence standard and the government's obligations under [Directive] ¶ E3.1.14 for pertinent allegations. At that point, the burden shifts to applicant to establish either that [he or] she is not responsible for the debt or that matters in mitigation apply.

Id. (internal citation omitted). The record establishes the disqualifying conditions in AG ¶¶ 19(a) and 19(c), requiring additional inquiry about the possible applicability of mitigating conditions. Discussion of the disqualifying conditions is contained in the mitigation section, *infra*.

The financial considerations mitigating conditions under AG ¶ 20 are as follows:

(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 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).

Applicant experienced divorce, and his former spouse failed to consistently pay child support for his two sons. Real estate market values declined. His son promised to make payments on student loans that were Applicant’s responsibility. These are circumstances largely beyond his control, which adversely affected his finances. However, “[e]ven if applicant’s financial difficulties initially arose, in whole or in part, due to circumstances outside his [or her] control, the judge could still consider whether applicant has since acted in a reasonable manner when dealing with those financial difficulties.” ISCR Case No. 05-11366 at 4 n.9 (App. Bd. Jan. 12, 2007) (citing ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005); ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999)).

Another component under AG ¶ 20(a) is whether Applicant maintained contact with creditors and attempted to negotiate partial payments to keep debts current. He did not prove that he maintained contact with his student-loan creditors or that he made offers to make partial payments to them.

Applicant is credited with mitigating the debts in SOR ¶¶ 1.a, 1.f, and 1.g as he paid the \$500 medical debt in SOR ¶ 1.a, and his mortgage and equity loan were resolved in the foreclosure in 2015. His foreclosure is not recent, is unlikely to recur, and does not cast doubt on his current reliability, trustworthiness, or good judgment.

Applicant is not credited with mitigating his student-loan debts in SOR ¶¶ 1.b through 1.e. He admitted he did not voluntarily establish payment plans for these four debts before the COVID-19 pandemic forbearance. For about two months \$700 of his pay was garnished to pay his student-loan debts. “Court-ordered or otherwise involuntary means of debt resolution, such as garnishment, are entitled to less weight than means initiated and carried through by the debtor himself.” ISCR Case No. 17-04110 at 4 (App. Bd. Sept. 26, 2019) (citing ISCR Case No. 14-05803 at 3 (App. Bd. Jul. 7, 2016)).

Complete reliance on the COVID-19 pandemic-based student loans deferment to establish mitigation for security clearance purposes is misplaced. Applicant’s student loans were delinquent before May 2020. See ISCR Case No. 20-03208 at 2 (App. Bd. July 6, 2021); ISCR Case No. 20-01527 at 2 (App. Bd. June 7, 2021) (noting student loans totaling about \$20,000 that were delinquent before the COVID-19 federal deferment may be the basis for revocation of access to classified information). Applicant did not establish he was unable to establish a payment plan and make some payments for several years before the federal deferment in 2020. See ISCR Case No. 14-03612 at 3 (Aug. 25, 2015) (“Indeed, even if a credit report states that a debt has been paid, that fact alone does not, in and of itself, resolve concerns arising from the dilatory nature of an applicant’s response to his debts or other circumstances that detract from an applicant’s

judgment and reliability. In this case, the Judge commented on the absence of detailed evidence about how Applicant addressed his finances and reasonably had doubts about his clearance eligibility based on that lack of evidence”).

Applicant’s history of non-payment of his federal student-loan debts has important security implications. See ISCR Case No. 20-01004 at 3 (App. Bd. June 28, 2021) (“Resolution of a delinquent debt does not preclude further inquiry or examination regarding it. Even if an alleged debt has been paid or canceled, a Judge may still consider the circumstances underlying the debt as well as any previous actions or lapses to resolve the debt for what they reveal about the applicant’s worthiness for a clearance”) (citing ISCR Case No. 15-02957 at 3 (App. Bd. Feb. 17, 2017)). Even if he paid the delinquent student-loan debts after receipt of the SOR, this would not automatically mitigate security concerns.

[T]he timing of ameliorative action is a factor which should be brought to bear in evaluating an applicant’s case for mitigation. An applicant who begins to resolve security concerns only after having been placed on notice that his or her clearance is in jeopardy may lack the judgment and willingness to follow rules and regulations when his or her personal interests are not threatened.

ISCR Case No. 17-04110 at 3 (App. Bd. Sept. 26, 2019) (citing ISCR Case No. 17-01256 at 5 (App. Bd. Aug. 3, 2018)). “A security clearance represents an obligation to the Federal Government for the protection of national secrets. Accordingly, failure to honor other obligations to the Government has a direct bearing on an applicant’s reliability, trustworthiness, and ability to protect classified information.” ISCR Case No. 14-03358 at 3 (App. Bd. Oct. 9, 2015).

Applicant did not establish that he was unable to make more progress sooner in the resolution of his four student-loan debts. There is insufficient assurance that his financial problems are being resolved. Under all the circumstances, he failed to establish mitigation of financial considerations security concerns.

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 a 64-year-old telecommunications technician who has worked for DOD contractors at the same location since 1985. In 2005, he received an associate’s degree in electronics technology. He honorably served in the Air Force from 1978 to 1984. He received an Air Force Outstanding Unit Award, and an Air Force Commendation Medal. He has held a security clearance for about 40 years. There is no evidence of security violations, arrests, convictions, use of illegal drugs, or abuse of alcohol.

Applicant’s family has a history of military service to the United States. He received multiple letters of commendation or appreciation, which lauded his professionalism, ability, initiative, loyalty, devotion to duty, and contributions to mission accomplishment. He loves his job and takes great pride in his work. He wants to continue to contribute to his employer and his country.

Applicant provided important mitigating information. His finances were harmed by several circumstances largely beyond his control. He mitigated all of the SOR allegations except for SOR ¶¶ 1.b through 1.e.

The evidence against grant of a security clearance is more substantial at this time. Applicant failed to provide persuasive information to explain why he was unable to make greater progress sooner resolving the four student loans in SOR ¶¶ 1.b through 1.e. He did not employ reasonable and prudent actions to check on his student loans after he received notices from D. Ed. He did not show a track record of consistent payments to address his student loans. His financial history raises unmitigated questions about his reliability, trustworthiness, and ability to protect classified information. See AG ¶ 18.

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. “[A] favorable clearance decision means that the record discloses no basis for doubt about an applicant’s eligibility for access to classified information.” ISCR Case No. 18-02085 at 7 (App. Bd. Jan. 3, 2020) (citing ISCR Case No.12-00270 at 3 (App. Bd. Jan. 17, 2014)).

This decision should not be construed as a determination that Applicant cannot or will not attain the state of reform necessary for award of a security clearance in the future. With more effort towards documented resolution of his past-due debt, and a better track record of behavior consistent with his obligations, he may well be able to demonstrate persuasive evidence of his security clearance worthiness.

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 failed to mitigate 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:	AGAINST APPLICANT
Subparagraph 1.a:	For Applicant
Subparagraphs 1.b through 1.e:	Against Applicant
Subparagraphs 1.f and 1.g:	For Applicant

Conclusion

I conclude that it is not clearly consistent with the interests of national security of the United States to grant or continue Applicant's eligibility for access to classified information. Eligibility for access to classified information is denied.

Mark Harvey
Administrative Judge