

DEPARTMENT OF DEFENSE DEFENSE OFFICE OF HEARINGS AND APPEALS



In the matter of:

[Redacted]

ISCR Case No. 20-03376

Applicant for Security Clearance

Appearances

)

For Government: Jeffrey T. Kent, Esq., Department Counsel For Applicant: *Pro se*

11/18/2022

Decision

FOREMAN, LeRoy F., Administrative Judge:

This case involves security concerns raised under Guidelines F (Financial Considerations), G (Alcohol Consumption), and J (Criminal Conduct). Eligibility for access to classified information is denied.

Statement of the Case

Applicant submitted a security clearance application on February 12, 2018. On March 24, 2021, the Defense Counterintelligence and Security Agency Consolidated Adjudications Facility (DCSA CAF) sent him a Statement of Reasons (SOR) alleging security concerns under Guidelines F and J. The DCSA CAF acted under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) promulgated in Security Executive Agent Directive 4, *National Security Adjudicative Guidelines* (December 10, 2016).

Applicant answered the SOR on September 24, 2021, and requested a hearing before an administrative judge. On December 2, 2021, Department Counsel amended

the SOR to add two additional allegations under Guideline J. On January 3, 2022, Department Counsel amended the SOR to add six allegations under Guideline J. On September 23, 2022, Department Counsel amended the SOR to add one allegation under Guideline J and one allegation under Guideline G. All the amendments are incorporated in the document captioned as "Second Amended Statement of Reasons, dated September 23, 2022. Department Counsel was ready to proceed on January 3, 2022.

Scheduling of the hearing was delayed by COVID-19. On September 6, 2022, the case was assigned to me. On September 15, 2022, the Defense Office of Hearings and Appeals (DOHA) notified Applicant that the hearing was scheduled to be conducted by video teleconference on October 13, 2022. I convened the hearing as scheduled. Government Exhibits (GX) 1 through 14 were admitted in evidence without objection. GX 15, an unauthenticated summary of an interview conducted by a security investigator, was not admitted. Applicant testified but did not present the testimony of any other witnesses or submit any documentary evidence. I kept the record open until November 4, 2022, to enable him to submit documentary evidence. He timely submitted Applicant's Exhibits (AX) A, B, and C, which were admitted without objection. DOHA received the transcript (Tr.) on October 25, 2022.

Findings of Fact

In Applicant's answer to the SOR and its amendments, he admitted all the allegations except SOR $\P\P$ 2.g and 3.a, which he denied. His admissions are incorporated in my findings of fact.

Background

Applicant is a 36-year-old ship designer employed by a defense contractor since January 2017. He was unemployed from September 2014 to January 2017. He received an interim security clearance in 2019. (Tr. 17.)

Applicant married in September 2010, divorced in November 2015, married in November 2016, and separated in August 2017. He has two children, ages 11 and 15.

Applicant attended a community college from August 2012 to March 2014 and a university from August 2014 to May 2016. He earned a bachelor's degree in graphic design in May 2016.

Financial Considerations

The amended SOR alleges 12 delinquent debts and a wage garnishment. The debts are reflected in credit reports from April 2020, November 2020, and September 2022 (GX 2, 3, and 4), and court records reflecting judgments (GX 5, 6, and 7). Applicant admitted all the debts in his answer to the amended SOR, stated that the debts alleged in SOR ¶¶ 1.a-1.i had been paid, and stated that he was working on resolving the three debts alleged in SOR ¶¶ 1.j, 1.k, and 1.l.

The evidence concerning the debts alleged in the SOR is summarized below.

SOR ¶ 1.a: medical debt placed for collection of \$1,861. This debt became delinquent in May 2017. The November 2020 credit report reflects that it is disputed. (GX 3 at 1.) Applicant submitted no evidence of the basis for the dispute or its resolution. In his answer to the SOR, he claimed that the debt was paid in full. He submitted no documentary evidence supporting his claim.

SOR ¶ 1.b: telecommunications debt placed for collection of \$63. This debt became delinquent in September 2019. (GX 3 at 2.) Applicant paid it on April 16, 2021. (AX A.)

SOR ¶ 1.c: debt to insurance company placed for collection of \$126. The November 2020 credit report reflects this debt. (G 3 at 2.) It is not reflected in the September 2020 credit report (GX 4.) In Applicant's answer to the SOR, he claimed that this debt was paid in full, but he did not submit any documentation to support his claim. The fact that a debt no longer appears on a credit report does not establish any meaningful, independent evidence as to the disposition of the debt. ISCR Case No. 18-01250 at 2 (App. Bd. Feb. 13, 2019).

SOR ¶¶ 1.d, 1.e, 1.f, and 1.h: two medical debts placed for collection of \$75, one debt for \$135, and one for \$1,691. In Applicant's answer to the SOR, he claimed that these debts were paid in full. He submitted no documentary evidence to support his claim. At the hearing, he testified that he had limited medical insurance while in college, and his insurance either did not cover the medical expenses or did not pay the full cost of the medical care. He had at least one serious medical issue with a hernia. (Tr. 19.)

SOR ¶ 1.g: automobile loan past due for \$628. The November 2020 credit report reflects this debt. (GX 3 at 3.) In Applicant's answer to the SOR, he claimed that this debt was paid in full. The September 2022 credit report reflects a "paid repossession" and a zero balance due. (GX 4 at 6.) This debt is resolved.

SOR ¶ 1.i: telecommunications debt placed for collection of \$274. The alleged creditor for this debt is the same as the \$63 debt in SOR ¶ 1.b. The April 2020 credit report reflects two debts to this creditor, one of which was disputed and resolved in favor of the debtor, but the credit report does not list the amounts. The SOR does not reflect the account numbers of the two debts to this creditor. Even though the amounts are different, the one debt that was not disputed appears to be the same debt as SOR ¶ 1.b, which has been resolved.

SOR ¶ 1.j: default judgment for \$924 filed on February 29, 2016. (GX 5.) At the hearing, Applicant testified that he was unaware of this judgment. He learned about it when he was searching for court records regarding the judgments alleged in SOR ¶¶ 1.k and 1.l. He denied this debt and testified that he had never obtained a loan from this creditor. (Tr. 21.) He suspects identity theft. (Tr. 39.) He provided no documentary evidence of actions to dispute or otherwise resolve this debt.

SOR ¶¶ 1.k and 1.I: judgments for \$113 and \$211 filed in 2017. (GX 6.) Applicant testified that these judgments were for unpaid personal property taxes. He had recently moved and did not receive the notices of taxes due, and did not know about the judgments for unpaid taxes. (Tr. 39.) He submitted no evidence that the judgments have been satisfied.

SOR ¶ 1.m: wage garnishment in 2020 for \$1,483. Applicant testified that he believed this garnishment was for unpaid personal property taxes. (Tr. 39.) However, the evidence reflects that a default judgment for unpaid rent was filed against Applicant in September 2019 for \$1,101, plus costs and attorney fees, and Applicant's pay was garnished to collect the judgment. (GX 7.)

Applicant testified that his delinquent debts were due to "growing pains, growing up," and not knowing how to manage his money. (Tr. 18-19.) He submitted no evidence of financial counseling.

Criminal Conduct and Alcohol Consumption

In September 2014, Applicant was charged with driving while intoxicated (DWI). He was convicted and sentenced to 60 days in jail (suspended for 60 days), fined \$300, and charged with court costs of \$340. His driver's license was restricted for 12 months. (GX 12.) He testified that he was required to attend an alcohol safety class and had to install a breathalyzer in his car for six months. (Tr. 26.) He testified that he now consumes alcohol rarely, and he limits his consumption to drinking wine on special occasions like Christmas or Thanksgiving. (Tr. 26-27.)

On January 12, 2016, Applicant was charged with driving without a license. He testified that his license was suspended because of an unpaid fine. (Tr. 23.) He has since paid the fine. He pleaded guilty to driving without a valid license and was fined \$600 plus court costs. (GX 10.)

On January 12, 2016, Applicant was charged with failure to appear in court on December 16, 2015. He testified that he was challenging a speeding ticket and was scheduled for a court hearing, but that he mixed up the dates and forgot the correct court date. (Tr. 24.) He pleaded guilty and was sentenced to 60 days in jail, suspended for 60 days, and placed on unsupervised probation for three years. (GX 8; GX 11.)

In October 2020, Applicant was charged with violation of a protective order. The record contains no evidence of the basis for the order or the charge of violating it, except for Applicant's testimony. He testified that a neighbor threatened his wife and then obtained a protective order against him. The neighbors did not appear at the hearing. (Tr. 22-23.) In February 2021, the charge was dismissed. (GX 9.)

In November 2021, Applicant was charged with felony child cruelty and felony child neglect after he spanked his son. His son was not seriously injured, but he had marks on his buttocks. Disposition was deferred for the child cruelty, and Applicant was placed on

probation for two years. He was required to attend a parenting class, and he voluntarily enrolled in an anger management class. (Tr. 34.) The child neglect charge was reduced to assault and battery on a family member, a misdemeanor, and he was sentenced to 12 months in jail, suspended for 12 months. (GX 13.) Applicant still has joint custody of his son and is entitled to supervised visitation. (Tr. 35.)

In May 2022, Applicant was charged with DWI, 2nd offense, and refusing a breathalyzer test within 10 years after a DWI conviction. (GX 14.) Applicant testified that while he was driving, his wife wanted to stop at a restaurant on the left side of the road. He moved to the left-turn lane. His wife changed her mind, and he abruptly moved back into the travel lane. A police officer observed the maneuver and stopped him. Applicant denied having consumed any alcohol before driving. (Tr. 29.) He testified that he refused to take a breathalyzer test because his research reflected that such tests are unreliable. He asked the police officer to take him to a hospital for a blood-alcohol test, but the officer refused. (Tr. 15.) He testified that he believed he has a "constitutional right to have a blood-alcohol test." (Tr. 32.) Applicant notified his probation officer about this incident. (Tr. 32.) His trial on the DWI and breathalyzer refusal was pending and not imminent when the record of his security clearance hearing closed.

Without objection from either party, I have taken administrative notice of the "implied consent" law applicable to the jurisdiction in which the breathalyzer refusal occurred. (State Code §18.2-268.3). This law provides that a first breathalyzer refusal is a civil offense, but a second or subsequent refusal is a misdemeanor if it occurs within ten years after a conviction of certain offenses, including DWI.

Character Evidence

A coworker and former college classmate who has worked with Applicant for about six years considers him an extremely dependable and dedicated employee who goes beyond what is expected. (AX B.) A friend who has been Applicant's barber for more than 20 years describes him as loyal, dependable, a good man, and a proud father. (AX C.)

Policies

"[N]o 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 applicants 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 § 2.

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, an administrative judge applies these guidelines 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 and 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 that 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 made "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." Exec. Or. 10865 § 7. Thus, a decision to deny a security clearance is merely an indication the applicant has not met the strict guidelines the President and the Secretary of Defense 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. 15-01253 at 3 (App. Bd. Apr. 20, 2016).

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 burden of proving a mitigating condition, and the burden of disproving it never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

An applicant "has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his security clearance." ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531.

Analysis

Guideline F, Financial Considerations

The security concern under this guideline is set out in AG ¶ 18:

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

This concern is broader than the possibility that a person might knowingly compromise classified information to raise money. It encompasses concerns about a person's self-control, judgment, and other qualities essential to protecting classified information. A person who is financially irresponsible may also be irresponsible, unconcerned, or negligent in handling and safeguarding classified information. *See* ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012).

Applicant's admissions and the evidence submitted at the hearing establish the two disqualifying conditions under this guideline: AG ¶ 19(a) ("inability to satisfy debts") and AG ¶ 19(c) ("a history of not meeting financial obligations"). AG ¶ 19(f) (failure to file income tax returns or pay income taxes) is not applicable, because the delinquent taxes alleged in SOR ¶¶ 1.k and 1.I were personal property taxes and not income taxes.

The following mitigating conditions under this guideline are potentially applicable:

AG ¶ 20(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;

AG ¶ 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;

AG \P 20(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;

AG ¶ 20(d): the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts; and

AG ¶ 20(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;

AG ¶ 20(a) is not established. Applicant's delinquent debts were numerous, recent, and were not incurred under circumstances making recurrence unlikely.

AG ¶ 20(b) is potentially applicable to some of Applicant's medical debts alleged in SOR ¶¶ 1.a, 1.d, 1.e, 1.f, and 1.h, but Applicant did not submit any evidence that they were unusual expenses beyond routine medical care, except for a hernia operation. However, Applicant did not identify which debt was attributable to the hernia operation. In any event, Applicant did not meet the second prong of AG ¶ 20(b), because he submitted no evidence of responsible behavior. He claimed that the medical debts were paid, but he submitted no evidence of payment. An applicant who claims that debts has been paid or otherwise resolved is expected to present documentary evidence supporting the claim. See ISCR Case No. 15-03363 at 2 (App. Bd. Oct. 19, 2016).

AG ¶ 20(c) is not established. Applicant submitted no evidence of financial counseling, and his delinquent debts are not yet under control.

AG ¶ 20(d) is established for the debts alleged in SOR ¶¶ 1.b and 1.g, which have been paid. It is not established for the debts alleged in SOR ¶¶ 1.a, 1.c-1.f, and 1.h-1.l, which Applicant claimed were paid but for which he submitted no documentary evidence of payment. It is not established for the wage garnishment alleged in SOR ¶ 1.m, because involuntary garnishment is not a good-faith effort within the meaning of this mitigating condition. ISCR Case No. 09-05700 (App. Bd. Feb. 24, 2011).

AG ¶ 20(e) is established for one of the telecommunications debts alleged in SOR ¶¶ 1.b and 1.i. The SOR did not allege the account numbers and the April 2020 does not list the amounts, making it impossible to determine which account was successfully disputed. The two debts are probably duplicates. When the same conduct is alleged twice in the SOR under the same guideline, one of the duplicative allegations should be resolved in the Applicant's favor. See ISCR Case No. 03-04704 at 3 (App. Bd. Sep. 21, 2005) (same debt alleged twice). Accordingly, I have resolved the debt in SOR ¶ 1.i for Applicant.

AG ¶ 20(e) is not established for the debts alleged in SOR ¶ 1.a and 1.j. The November 2020 credit report reflects that the medical debt is SOR ¶ 1.a was disputed, but Applicant submitted no evidence of the basis for disputing it. He claimed that the judgment alleged in SOR ¶ 1.j was the result of identity theft, but he submitted no evidence to support his claim and no evidence of actions to dispute or otherwise resolve it.

Guideline J, Criminal Conduct

The concern under this guideline is set out in AG \P 30: "Criminal activity creates doubt about a person's judgment, reliability, and trustworthiness. By its very nature, it calls into question a person's ability or willingness to comply with laws, rules, and regulations." Applicant's admissions and the evidence submitted at the hearing establish the following disqualifying conditions under this guideline:

AG ¶ 31(a): a pattern of minor offenses, any one of which on its own would be unlikely to affect a national security eligibility decision, but which in combination cast doubt on the individual's judgment, reliability, or trustworthiness;

AG ¶ 31(b): evidence (including, but not limited to, a credible allegation, an admission, and matters of official record) of criminal conduct, regardless of whether the individual was formally charged, prosecuted, or convicted; and

AG ¶ 31(c): individual is currently on parole or probation.

The following mitigating conditions are potentially applicable:

AG ¶ 32(a): so much time has elapsed since the criminal behavior happened, or it happened under such unusual circumstances, that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

AG \P 32(c): no reliable evidence to support that the individual committed the offense; and

AG ¶ 32(d): there is evidence of successful rehabilitation; including, but not limited to, the passage of time without recurrence of criminal activity, restitution, compliance with the terms of parole or probation, job training or higher education, good employment record, or constructive community involvement.

AG ¶ 32(a) is not established. Applicant's criminal conduct did not occur under unusual circumstances, and it is not mitigated by the passage of time. His conviction of assault and battery on a family member is recent, and he is still on probation for that offense. His breathalyzer refusal is also recent. Although his trial for a breathalyzer refusal and DWI is pending, his admissions at the hearing establish a breathalyzer refusal that occurred within ten years of a DWI conviction, which is a misdemeanor under state law.

AG ¶ 32(c) is established for the violation of a protective order alleged in SOR ¶ 2.a. It is not established for the other offenses alleged in the SOR.

AG ¶ 32(d) is not established. Applicant's breathalyzer refusal occurred after the original SOR was issued and while Applicant's hearing was pending. His conviction of assault and battery on a family member is recent and he is still on probation for that offense.

Guideline G, Alcohol Consumption

The SOR cross-alleges the conduct alleged in SOR $\P\P$ 2.b, 2.d, and 2.g under this guideline. The concern under this guideline is set out in AG \P 21: "Excessive alcohol

consumption often leads to the exercise of questionable judgment or the failure to control impulses, and can raise questions about an individual's reliability and trustworthiness".

There is no evidence that Applicant's arrest for driving with a suspended license was related to his consumption of alcohol. His license was suspended for failure to pay a fine. Accordingly, I conclude that the conduct alleged in SOR ¶ 2.b does not raise any concern under Guideline G. The conduct alleged in SOR ¶¶ 2.d and 2.g is related to alcohol use and is sufficient to raise the following disqualifying condition under this guideline:

AG ¶ 22(a): alcohol-related incidents away from work, such as driving while under the influence, fighting, child or spouse abuse, disturbing the peace, or other incidents of concern, regardless of the frequency of the individual's alcohol use or whether the individual has been diagnosed with alcohol use disorder.

The following mitigating conditions are potentially applicable:

AG ¶ 23(a): so much time has passed, or the behavior was so infrequent, or it happened under such unusual circumstances that it is unlikely to recur or does not cast doubt on the individual's current reliability, trustworthiness, or judgment; and

AG ¶ 23(b): the individual acknowledges his or her pattern of maladaptive alcohol use, provides evidence of actions taken to overcome this problem, and has demonstrated a clear and established pattern of modified consumption or abstinence in accordance with treatment recommendations.

Applicant's last alcohol-related conviction was in September 2014. His most recent arrest for DWI was in May 2022. But for the May 2022 charges, both mitigating conditions would be established. He has vehemently and repeatedly denied the most recent DWI charge. He has hired an attorney and intends to contest it.

Because the security concerns until Guidelines F and J are not mitigated, I have concluded that the interests of the national security of the United States will be best served by resolving this case under Guidelines F and J and not waiting for the eventual resolution of the Guideline G concerns raised by the most recent DWI charge. The outcome of the trial on the DWI charge will not affect my decision. Accordingly, I have resolved SOR ¶ 3.a for Applicant.

Whole-Person Concept

Under AG \P 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. In applying the whole-

person concept, an administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. An administrative judge should consider the nine adjudicative process factors listed at AG \P 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.

I have incorporated my comments under Guidelines F, J, and G in my wholeperson analysis and applied the adjudicative factors in AG \P 2(d).

After weighing the disqualifying and mitigating conditions under Guidelines F, J, and G, and evaluating all the evidence in the context of the whole person, I conclude Applicant has not mitigated the security concerns raised by his delinquent debts and criminal conduct.

Formal Findings

I make the following formal findings on the allegations in the SOR:

Paragraph 1, Guideline F (Financial Considerations): AGAINST APPLICANT

Subparagraph 1.a:	Against Applicant
Subparagraph 1.b:	For Applicant
Subparagraphs 1.c-1.f:	Against Applicant
Subparagraph 1.g:	For Applicant
Subparagraph 1.h:	Against Applicant
Subparagraph 1.i:	For Applicant
Subparagraphs 1.j-1.m:	Against Applicant
Paragraph 2, Guideline J (Criminal Conduct):	AGAINST APPLICANT
Subparagraph 2.a:	For Applicant

Subparagraphs 2.b-2.f:	Against Applicant
Subparagraph 2.g (breathalyzer refusal):	Against Applicant
Subparagraph 2.g (DWI):	For Applicant
Paragraph 3, Guideline G (Alcohol Consumption)	FOR APPLICANT
Subparagraph 3.a:	For Applicant

Conclusion

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

LeRoy F. Foreman Administrative Judge