



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



In the matter of:	)	
	)	
[REDACTED]	)	ISCR Case No. 21-01964
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: Andre M. Gregorian, Esq., Department Counsel  
For Applicant: *Pro Se*

10/20/2023

\_\_\_\_\_

**Decision**

\_\_\_\_\_

MARINE, Gina L., Administrative Judge:

This case involves security concerns raised under Guideline F (Financial Considerations). Eligibility for access to classified information is granted.

**Statement of the Case**

Applicant most recently submitted Electronic Questionnaires for Investigations Processing on June 29, 2018 (2018 EQIP) and April 15, 2021 (2021 EQIP). On September 21, 2021, the Defense Counterintelligence and Security Agency Consolidated Adjudications Facility (CAF) sent Applicant a Statement of Reasons (SOR) alleging security concerns under Guideline F. The CAF acted under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense (DOD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) implemented by the DOD on June 8, 2017.

On November 16, 2021, Applicant requested a hearing before an administrative judge before providing his timely response to the SOR (Answer) on January 31, 2022. The Government was ready to proceed on May 26, 2022. The case was assigned to me

on February 16, 2023. On April 11, 2023, the Defense Office of Hearings and Appeals (DOHA) notified Applicant that his hearing was scheduled for May 17, 2023. I convened the hearing as scheduled via video conference.

At the hearing, Applicant testified and I admitted Applicant Exhibits (AE) A through G (which were previously attached to the Answer) and Government Exhibits (GE) 1 through 8, without objection. I appended the Government's two transmittal documents and exhibit list to the record as HE (Hearing Exhibits) I through III. At Applicant's request, I left the record open until July 6, 2023, to allow him the opportunity to submit additional information. He timely provided additional documents that I admitted as AE H, without objection. DOHA received the transcript (Tr.) on June 1, 2023. On September 28, 2023, at Applicant's request and without objection from the Government, I reopened the record for good cause to receive additional documents that I admitted as AE I.

### **Findings of Fact**

Applicant is 40 years old. He and his wife of 18 years have two children, ages 14 and 15. He received his high school diploma in 2001. He took some college courses in 2019, without earning a degree. He served honorably in the U.S. Marine Corps from June 2001, until his early retirement in December 2018. He remained unemployed until September 2019, when he began working as a contractor for another government agency through March 2020. He has been employed by his current sponsor since March 2020, initially through a staffing agency, and then as a direct full-time employee since September 2020. Throughout his military and civilian career, he has worked in finance-related positions. However, he does not consider himself a "financial expert" because none of those positions involved managing personal finances. (AE A; GE 2; GE 8 at 2, 8; Tr. at 9-10, 36, 38-39, 64, 83, 90, 104-105)

#### **Military Career**

Applicant enlisted in the Marine Corps, at age 17, and went to boot camp, at age 18. He deployed to Iraq in 2004, at age 20, and to Afghanistan in 2005, at age 21. He was commissioned as a Chief Warrant Officer (CWO) in 2011, at age 28. He retired as a CWO2, at age 35. He attributed combat-related post-traumatic stress disorder (PTSD) with ending his Marine Corps career "sooner than [he] wanted to." In 2015, he underwent "extensive therapy" to address his PTSD. He described the nine-month period of unemployment following his Marine Corps retirement as "a pretty rough chapter" in his life, due to his continued struggles with PTSD. Although PTSD still affects him "every day," he has learned tools to manage it and is in a "better place" today. He is currently under medical care for PTSD-related prescription management. He is open with his family and employers about his PTSD struggles and has availed himself of the resources available through his current employer, who has supported him in navigating those resources. (AE 8 at 9; Tr. at 9, 63, 91-94, 97, 106)

## Security Clearance

Applicant has maintained a security clearance since 2005. While on active duty in the Marine Corps, he submitted the 2018 EQIP for the periodic reinvestigation of his clearance eligibility. During the ensuing background investigation, he was interviewed about the same 14 delinquent credit-card and loan debts that were later alleged in the SOR, which he had disclosed in the 2018 EQIP. During the interview, he proffered a plan to resolve his delinquent debts by filing bankruptcy. In April 2019, the CAF favorably adjudicated his clearance eligibility continuing his access to classified information. He submitted the 2021 EQIP to upgrade his security clearance. (GE 8 at 3; Tr. at 10, 41-42, 127)

## SOR Allegations

The SOR alleged 13 delinquent debts, including credit-card and loan accounts totaling \$71,099, and a mortgage loan foreclosure. Applicant had disclosed the alleged debts and the foreclosure in the 2021 EQIP. In his Answer, he admitted all 14 allegations, which were also confirmed by his 2018 and 2019 credit bureau reports (CBRs). His 2021, 2022, and 2023 CBRs confirmed all but one debt, SOR ¶ 1.n. (GE 3-7)

Applicant's delinquent debts arose between about 2016 and 2018, when his finances became overextended due to a combination of factors, including extraordinary expenses, unemployment, and his PTSD struggles. His finances were initially strained by a \$1,500 legal fee he paid to successfully defend a reckless driving charge. Concurrently, a rental property he owned fell into disrepair due to "a couple of sets of bad tenants." These factors had a ripple effect because of his history of overspending with credit cards between about 2005 and 2015. He struggled to keep up with his monthly payment obligations, resulting in what he described as a juggling act where he missed credit-card payments to pay the legal fee, and then missed mortgage payments to make his credit-card payments. Eventually, he defaulted on the debts and mortgage loan alleged in the SOR and four other credit cards, which were not alleged in the SOR because they were solely in his wife's name. He accepted responsibility for paying the unalleged debts because he incurred them with his wife. (GE 1, 2, 8; Tr. at 27, 46-48, 51-58, 91-94, 107)

Between 2016 and 2018, Applicant consulted with two attorneys for advice about his financial situation. They advised him to file bankruptcy and to stop making his monthly credit-card payments. The payments he missed while contemplating whether to file further exacerbated his financial problems. Ultimately, he chose not to file because he considered bankruptcy as an "easy way" out and did not want to "just walk away from everything." Instead, he intended to find a way to repay his debts within his available means. In early 2019, he cashed out his Marine Corps retirement account, from which he netted about \$20,000 after taxes. He applied those funds toward resolving the unalleged debts, maintaining his household expenses while he was unemployed, and "put[ing] out a few . . . fires". (GE 1 at 37; GE 2 at 43; GE 8 at 3, 10-12; Tr. 49-50, 89-90, 108-109, 122)

The foreclosure involved the first home Applicant and his wife purchased as a married couple in 2006. The home became a rental property when they moved to another state in 2011. He had missed about six to ten months of mortgage payments when the lender initiated foreclosure proceedings. He was unable to sell the home because the mortgage loan balance exceeded its fair market value, which never recovered from a 40 percent loss suffered during the 2008 financial crisis. Despite his attempts to rehabilitate the mortgage loan by making monthly payments of about \$1,000 (which was \$300 over the original payment amount) for an unspecified period, the lender foreclosed on the home in about October or November 2018. He did not owe a deficiency balance on the mortgage loan after the foreclosure. (GE 8 at 4, 12; Tr. at 51-57, 125-126)

Several other specific factors contributed to Applicant's missed mortgage payments besides his generally overextended finances. He was unaware that his mortgage loan had been transferred to a new service provider, which resulted in his monthly payment no longer being automatically debited from his account. By the time he learned of the problem, he was unable to pay in full the past-due balance of about \$2,000, and the new service provider refused to accept an alternative payment plan. At the same time, the rental property required costly repairs. He paid unspecified costs to replace carpets, a water heater, and "a bunch of [other] stuff." Through the process of applying for a personal loan to help pay for additional repairs, which he could not afford, Applicant and his wife were surprised to learn that they were unable to qualify due to an unacceptable debt-to-income ratio. (GE 8 at 4, 12; Tr. at 51-57)

Until that point, Applicant and his wife neither realized how overextended their credit had become nor understood the consequences of overusing credit cards. He and his wife "both had bad spending habits," not due to buying "luxury items," but to failing to "budget properly," and using credit cards "improperly." Because he witnessed his wife opening and using credit cards for the perks, he followed suit. He and his wife also opened new credit accounts to transfer balances. He was never educated on credit-card use. He grew up in a very poor rural area. His father had a low paying job and his mother did not work outside the home. He observed his father use credit cards to make ends meet. He stated, "This seemed normal to me, and I had no concept of a budget, or the pitfalls of over-extended credit card use." He added, "I was just really financially illiterate, looking back on it." (GE 8 at 12; Tr. at 47-48, 50-57)

### Financial Counseling

Applicant has not had any formal financial counseling. He did not consider the information he received from the bankruptcy lawyers as such. However, he and his wife have "done a lot of stuff together" to try to educate themselves about better managing their finances. They opened an account with a credit bureau agency to help them "closely monitor" their credit. They read articles from that agency as well as other sources on how to improve their credit, which is what led them to opening credit cards for credit-rebuilding purposes. They "are both on the same page" and "are communicating better" about their finances, which was not the case in the past. (Tr. at 69-72, 80-81)

By improving their financial literacy, Applicant and his wife have been able to reduce their spending, limit their credit-card use, increase their savings, rebuild their credit, and repay their delinquent debts. During Applicant's May 2021 security clearance interview (2021 Interview), he described the changes he and his wife made in managing their finances and using credit. They were saving about \$300 per month and relying primarily on cash to pay expenses. He categorized their financial situation as good and finances healthy, which would afford him the ability to continue repaying his debts. At the hearing, he reaffirmed that he and his wife managed their finances by using cash and "absolutely stopped" overusing credit cards. They developed a budget with the goal of keeping their fixed expenses to under 50 percent of their income and then using the other 50 percent "to live on," accumulate savings, and pay debts. They had been successfully operating within their budget by paying all current bills on the first of the month, except for the phone bill on the 17th of each month, and then setting aside \$400 each month for savings. (GE 8 at 8-12; Tr. at 69-72, 81-82)

### Financial Information

Applicant is the primary wage earner for his family. He estimated that his annual salary and benefits totaled between about \$70,000 and \$90,000 when he retired from the Marine Corps in December 2018. His annual salary was \$90,000 from September 2019 through March 2020, and was \$110,000 from March 2020 until September 2020, when it decreased to \$105,000. Due to cost-of-living raises "and such," his annual salary had increased to \$117,000 as of the hearing. Since February 2019, he has received additional annual income of about \$50,400 for his U.S. Department of Veterans Affairs 100 percent disability pay, and about \$30,600 for his Marine Corps retirement pay. (Tr. at 38-41, 63)

Applicant's wife has been employed throughout their marriage, primarily as a dental technician, but also in retail. However, she "had to job-hop at lot" due to Applicant's changing duty stations. Her annual salary historically averaged between about \$30,000 and \$35,000. About a year and half prior to the hearing, she decided to switch careers to pursue her passion of becoming a nurse and to increase her income. While waiting to begin nursing school in the fall of 2023, she has been working as a substitute teacher, which reduced her annual salary to about \$20,000. (Tr. at 36-37, 103-104)

Applicant attributed his "newly blossoming" financial condition to his increased income, as demonstrated by the growth in his financial assets. In July 2021, his assets included his \$10,088 retirement account, \$1,050 employee stock purchase plan (ESPP), a \$2,922 investment holding, and his wife's \$17,776 retirement account. At the hearing, his retirement account, ESPP, and investment holding increased to \$30,000, \$3,000, and \$3,500, respectively. His savings and checking accounts had a combined balance of \$4,000. (AE E; Tr. at 32-33, 66-67)

Applicant did not proffer a budget of his monthly expenses, but he testified about some of them, and explained generally, "we don't have much free money" after paying for "living expenses" and "the essentials of everyday life." He was doing his best to manage the "not cheap" expenses associated with his children's school sports and travel soccer. Sometime during the COVID-19 pandemic, he financed a trip to Disney World, at

a total cost of about \$2,000 or \$3,000, without using a credit card. He was only able to afford the trip because he found “crazy cheap” flights and used his military benefits to save on hotel accommodations. (Tr. at 67-68, 85-86, 111-112).

As of January 2022, he was current with the \$2,400 monthly rental payment on his primary residence, which he later purchased from the owner in April 2022, financed with a \$515,800 mortgage loan. He attributed his ability to purchase the home to improvements in his credit score. In October 2022, he took out a \$30,000 personal loan to consolidate two smaller personal loans opened in 2021 to timely pay tax year 2020 and 2021 federal income taxes totaling about \$12,000. The total original balance of the two 2021 loans was about \$24,000. He used funds from the October 2022 loan to make a \$19,000 lump-sum payment to satisfy the two 2021 loans. The record did indicate how he used the other \$12,000 from the two 2021 loans, or the other \$11,000 from the October 2022 loan. In February 2023, he opened a retail credit-card account to make a \$377 home improvement purchase, and to avail himself of the “zero [percent interest] for six [months]” promotional offer. While acknowledging that being “enticed” by these types of offers got him into “trouble” in the past, he maintained that he is better able to manage repayment of the credit cards to avoid future default. He stated,

I'm not going to say [*sic*] not using credit cards because we are, but [*sic*] not using credit cards as actual credit cards because [*sic*] don't extend them past, you know, basically we use them as charge cards I guess you would say . . . [and] to rebuild credit specifically. (GE 7 at 8, 11-12, 14; GE 8 at 12; Tr. at 45-46, 56, 64-66, 70-71, 74-76, 79-81).

The 2020 and 2021 tax bills were “unexpected” expenses because they were the first and only tax years that Applicant has owed taxes. He later learned that he incurred the taxes because he failed to properly adjust his withholdings. He received a \$4,500 federal income tax refund in May 2023, after properly adjusting his withholdings in tax year 2022. He used \$1,000 of his 2022 tax refund to pay his current credit-card accounts, \$2,000 toward the remaining balance of a \$2,700 new couch he previously purchased, and then saved about \$1,500. He intended to apply the \$1,500 toward repaying his delinquent debts. He considered replacing a “very, very old” couch to be a necessity and not an extravagant expense. He “didn’t buy a fancy couch” to keep the cost down. (Tr. at 74-79, 112-113, 114)

All accounts were reported in good standing on Applicant’s May 2023 CBR. Although he continued to rely on credit cards to meet expenses, he was current with his monthly payments and had not incurred any delinquent debts beyond those alleged in the SOR. Besides the retail card referenced above, he actively uses only two other credit cards (opened in July and October 2022 to rebuild credit) on which he pays the balances in full each month. He carries balances on seven other credit cards, including the retail card mentioned above and six credit-card accounts that he opened between October 2019 and March 2021. The balances of those seven cards ranged from \$3 to \$1,882 and totaled \$3,782. He made monthly payments well above the minimum due on the higher-balance cards. He has three vehicle loans with balances of \$7,689, \$11,736, and \$25,883, on which he pays monthly \$444, \$450, and \$640, respectively. He pays \$793

and \$2,680 per month on the personal and mortgage loans, respectively, with reported balances of \$28,583 and \$507,650, respectively. (GE 7; Tr. at 70-74)

### Debt Repayment Plan

Applicant's debt repayment plan has continued to evolve since he became gainfully employed in 2018 and throughout the security clearance process. He believes that his decision not to file bankruptcy demonstrates his commitment to resolving all his delinquent debts within his available means. During the 2021 Interview, he anticipated that he could fully resolve all debts by 2026 by first paying the smaller debts (which he defined as anything under \$3,200) within two to three years, and then the larger debts within five years. In his Answer, he promised to continue making payments toward resolving the debts "for as long as it takes to make [his creditors] whole." (AE H at 1; GE 2 at 43; GE 8 at 12; Tr. at 25-26, 44-45, 58-60, 84-85, 87-88, 95-98, 108, 121-123)

At the hearing, Applicant explained that he chose to prioritize resolving three of the unalleged debts first because they were the subject of civil lawsuits brought by the creditors against his wife. He next planned to pay the credit-card debt alleged in SOR ¶ 1.a. (\$2,245), which he considered "most pressing" since it was in "actual collection and not a charge-off." Then, he planned to negotiate a monthly repayment plan to resolve the two debts with the same creditor (the bank he used his "entire adult life"), SOR ¶ 1.b (\$16,504) and the fourth unalleged debt (\$6,500). Next, he planned to begin working with his other creditors to resolve the remaining SOR debts, in no specific order. He also indicated an interest in undergoing formal financial counseling. (AE H at 1; GE 2 at 43; GE 8 at 12; Tr. at 25-26, 44-45, 58-60, 84-85, 87-88, 95-98, 108, 121-123)

Applicant explained that the pace of his debt resolution has been "slow" due to his limited available means. As of the hearing, he could not afford to pay more than the \$150 he had been paying towards the second unalleged debt. However, he anticipated that, as he continues to pay down his debts, and his and his wife's income increases, he would be able to incrementally increase the amount he pays monthly toward his debts. He was close to paying off a credit card on which he has been paying \$200 monthly. Once that \$200 is freed up, he planned to use it to make monthly payments toward another debt. He believed that if he continued this approach, it would "snowball" over time and afford him the ability to pay more and more hundreds of dollars each month toward fully resolving all his delinquent debts. (Tr. at 25-26, 61-62, 67-68, 89-90, 110-111)

In Applicant's July 2023 post-hearing submission, he expressed an intent to "accelerate" his efforts to resolve the SOR debts. He anticipated that he could resolve SOR ¶ 1.a "within the next two months." Then, he would begin paying \$300 a month toward resolving the remaining debts "one at a time in order of amount to systematically satisfy them." (AE H at 1)

To date, Applicant has made payments totaling \$23,865 to his creditors. In July 2018, he made a \$3,912 lump-sum payment to resolve one unalleged debt. In May 2019, he negotiated a monthly repayment plan to resolve a second unalleged debt, on which he remained current through June 2023, when it was paid in full. Pursuant to that plan,

his one-time \$155 payment in May 2019, and subsequent monthly payments of \$150, totaled \$7,505. In about April 2020, he made a \$10,303 lump-sum payment to resolve a third unalleged debt. He originally budgeted to pay the debt alleged in SOR ¶ 1.a on October 1, 2023; however, he was able to make a \$2,145 lump-sum payment on September 28, 2023 because he received his paycheck earlier than expected. (AE D, H, I; GE 2 at 43; GE 7 at 10, 12; Tr. 25-27, 31, 44-45, 60-62, 84-85)

### Whole-Person Concept

Applicant's "entire life has been in service to the country." The Marine Corps recognized his exemplary performance in August and September 2005, March and June 2007, and March 2009. His Defense Department (DD) Form 214 referenced numerous commendations and awards. Since February 2023, he and his wife have financially sponsored seven children in poverty through a charity organization, at a total cost of about \$266 per month. He believes that "it is important to give some of [his "great income"] back to people that don't have it, especially considering . . . I've kind of misused some of it in the past." He stated, "the driving factor is just trying to give some of our bounty to others instead of . . . spend[ing] . . . it improperly ourselves." He and his wife also regularly tithe to their church in an unspecified amount he stated was "not the full 10 percent." (AE A, B, C; Tr. at 85-86, 115)

Applicant acknowledged that, at times, he prioritized spending for his children over the repayment of his debts to ensure their happiness and well-being and to prevent them from suffering or sacrificing for his financial and mental health struggles. He has never tried to "shirk" his responsibility to repay his delinquent debts. He believed that his debt repayment strategy has honored both his obligation to repay his debts and his obligation to avoid causing his family undue hardship. In hindsight, he recognized that, from a security clearance perspective, he may have been better served by repaying his debts "more aggressively." He further stated,

I'm not saying I have done that 100 percent or perfectly. But it is not something that ever went away nor is it something that I won't address in the future. As a matter of fact, I am thinking of ways right now I could have done this better and ways I can do it better already, you know, regardless of whatever happens here. (Tr. at 95-99, 111-112, 121-123)

### **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." (*Egan* 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." (EO 10865 § 2)



Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the AG. 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." (EO 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. (*Egan* 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. (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. (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 [or her] 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* at 531; AG ¶ 2(b))

## **Analysis**

### **Guideline F: Financial Considerations**

The 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. 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 . . . .

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. (ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012))

The record evidence and Applicant's admissions establish the following disqualifying conditions set forth in AG ¶ 19 under this guideline:

- (a) inability to satisfy debts;
- (c) a history of not meeting financial obligations; and
- (e) consistent spending beyond one's means or frivolous or irresponsible spending, which may be indicated by excessive indebtedness, significant negative cash flow, a history of late payments or of non-payment, or other negative financial indicators.

I considered each of the factors set forth in AG ¶ 20 that could mitigate the concern under this guideline and find the following warrant discussion:

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

Adjudication of security clearance eligibility involves evaluating an applicant's judgment, reliability, and trustworthiness, and is not a debt-collection proceeding. The AGs do not require an applicant to immediately resolve or pay each debt alleged in the SOR, or to be debt free; nor is there a requirement that the debts alleged in an SOR be resolved first. An applicant need only establish a plan to resolve the indebtedness and then take significant actions to implement the plan.

Applicant has actively worked to address his indebtedness since 2016. He made payments to rehabilitate his delinquent mortgage loan before its foreclosure. He consulted with two bankruptcy attorneys. He sought out resources to improve his financial literacy. He established a reasonable debt repayment plan and has taken significant actions to implement the plan within his available means. He paid one unalleged debt in July 2018, and another in April 2020. He made consistent monthly payments between May 2019 and June 2023 to resolve another unalleged debt. He paid the debt alleged in SOR ¶ 1.a within a reasonable period of the timeframe he promised at the hearing. In total, he has paid \$23,865 toward resolving his delinquent debts.

Applicant's testimony was sincere and credible. His understanding about finances and budgeting has evolved. He lives within his means and manages his current finances responsibly. He demonstrated a good-faith effort to address delinquent debts that he incurred under circumstances not likely to recur. He has made meaningful progress in repaying his delinquent debts over an extended period. He may not have presented a perfect case in mitigation, but perfection is not the standard. The decisions he made to prioritize paying other debts or expenses were neither unreasonable considering his circumstances nor motivated by a willful violation of his obligation to repay the SOR debts. His track record of payments and responsible actions lead me to conclude that he will follow through with his plan to fully resolve the remaining SOR debts. I have no lingering doubts about Applicant's reliability, trustworthiness, or judgment. AG ¶¶ 20(a) and 20(d) are established to mitigate the Guideline F concerns alleged in the SOR.

### **Whole-Person Analysis**

Under AG ¶ 2(c), the ultimate determination of whether the granting or continuing of national security eligibility is clearly consistent with the interests of national security must be an overall commonsense judgment based upon careful consideration of the adjudicative guidelines, each of which is to be evaluated in the context of the whole person. An 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.

I have incorporated my comments under Guideline F in my whole-person analysis, and I have considered the factors in AG ¶ 2(d). I considered his two combat deployments, service-related mental health struggles, and his persistent efforts to resolve his delinquent debts. After weighing the disqualifying and mitigating conditions under Guideline F and evaluating all the evidence in the context of the whole person, I conclude that Applicant has mitigated the security concerns raised by the debts alleged in the SOR. Accordingly,

Applicant has carried his burden of showing that it is clearly consistent with the interests of national security to grant him eligibility for access to classified information.

### **Formal Findings**

Formal findings 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 – 1.n:           For Applicant

### **Conclusion**

I conclude that it is clearly consistent with the interests of national security to continue Applicant's eligibility for access to classified information. Clearance is granted.

Gina L. Marine  
Administrative Judge