

DEPARTMENT OF DEFENSE DEFENSE OFFICE OF HEARINGS AND APPEALS



In the matter of:)	
)	
)	ISCR Case No. 21-02726
)	
Applicant for Security Clearance)	

Appearances

For Government: Brian Farrell, Esq., Department Counsel For Applicant: R. Davis Younts, Esq.

03/29/2024

Decision

WESLEY, ROGER C. Administrative Judge

Based upon a review of the case file, pleadings, exhibits, and testimony, Applicant mitigated the financial consideration, alcohol consumption, and personal conduct concerns. Eligibility for access to classified information or to hold a sensitive position is granted.

Statement of Case

On June 28, 2022, the Defense Counterintelligence and Security Agency (DCSA) Consolidated Adjudications Services (CAS) issued a Statement of Reasons (SOR) to Applicant detailing reasons why under the financial considerations, alcohol consumption, and personal conduct guidelines the DCSA CAS could not make the preliminary affirmative determination of eligibility for granting a security clearance, and recommended referral to an administrative judge to determine whether a security clearance should be granted, continued, denied, or revoked. The action was taken under Executive Order (Exec. Or.) 10865, Safeguarding Classified Information within Industry (February 20, 1960); Department of Defense (DoD Directive 5220.6 Defense Industrial Personnel Security Clearance Review Program, (January 2, 1992) (Directive); and Security Executive Agent Directive 4, establishing in Appendix A the National

Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position (AGs), effective June 8, 2017.

Applicant responded to the SOR on August 10, 2022, and requested a hearing. This case was assigned to me on October 24, 2023. A hearing was scheduled for December 20, 2023, via Microsoft Teams, Teleconference Services and was heard as scheduled. At the hearing, the Government's case consisted of eight exhibits. (GEs 1-8) Applicant relied on one witness (himself) and 11 exhibits (AEs A-K). The transcript (Tr.) was received on January 5, 2024.

Procedural Issues

Before the close of the hearing, Applicant requested the record be kept open to permit him the opportunity to supplement the record with a resume, child support payments, a monthly budget, and an alcohol diagnosis. For good cause shown, Applicant was granted 22 days to supplement the record. Department Counsel was afforded two days to respond. Within the time permitted, Applicant supplemented the record with excerpts of his medical record, current child support status, and a personal budget. Applicant's post-hearing submissions were admitted as AEs L-N without objections. Admitted *sua sponte* as AEs O-Q without objections were approved motions to dismiss pending charges against Applicant stemming from his 2015-2016 and 2018 DUI incidents that were attached to Applicant's SOR response but never formally offered and admitted.

Summary of Pleadings

Under Guideline F of the SOR, Applicant allegedly accumulated 10 delinquent debts exceeding \$34,000. Allegedly, his delinquent debts remain unresolved and outstanding.

Under Guideline G, Applicant allegedly (a) violated Art. 92 of the Uniform Code of Military Justice (UCMJ) for drinking underage in April 2001, and again in May 2001; (b) was arrested in or around March 2002 for underage possession of alcohol and was found guilty as charged; (c) was subjected to an Art. 92 UCMJ in August 2002 for drinking underage and also violated Art. 111 of the UCMJ for driving while under the influence of alcohol (Dul); (d) was arrested for Dul in January 2015 and was sent to pretrial diversion; (e) was arrested for Dul in or around January 2016 and was sent to pretrial diversion; and (f) was arrested for Dul in or around December 2018 and sent to pretrial diversion. Allegedly, these offenses represent a pattern of alcohol abuse incidents.

Allegations made under Guidelines F and G are incorporated under Guideline E. Additional allegations are advanced under Guideline E as follows: In or around August 2020, Applicant was terminated by his then employer due to an inappropriate relationship with a subordinate employee and a violation of his then employer's code of ethics policy.

In his response to the SOR, Applicant admitted all of the allegations with explanations and clarifications. He claimed to be waiting on payoff letters from SOR creditors 1.a-1.e and paid off the debts covered by SOR ¶¶ 1.g-1.h. Addressing the alcohol-related allegations, Applicant added explanations to his admissions. He added explanations as well to his admissions of the allegations covering his employment termination.

Findings of Fact

Applicant is a 41-year-old employee of a defense contractor who seeks a security clearance. Admitted facts are adopted and incorporated by reference. Additional findings of fact follow.

Background

Applicant married in July 2004 and divorced in March 2015. (GE 1; Tr. 74-75) He has two children (ages 13 and 16) from this marriage. Since March 2020, he has resided with his fiancée who has no children. (GE 1; Tr. 30) Applicant earned a high school diploma in June 2000. (GE 1) He attended college classes between November 2004 and December 2005 without earning a degree or diploma. He resumed his college classes in January 2008 and earned an associate's degree in May 2011. (GE 1) Applicant enlisted in the Marine Corps in October 2000 and served four years of active duty. (GE 1) He received an honorable discharge in December 2004.

Since December 2020, Applicant has been employed by his current employer. (GE 1) Previously, he worked for other employers in various jobs. (GE 1) He was terminated in August 2020 by the former employer he worked for between January 2015 and August 2020 over an inappropriate relationship he had with a subordinate employee in violation of his then employer's code of ethics policy. (GE 1) He reported unemployment between August 2020 and December 2022. (GE 1) He expressed some uncertainty over whether he has ever held a security clearance, but believed he held a clearance with a previous employer. (GE 1; Tr. 52-53)

Applicant's finances

Between 2015 and 2021, Applicant accumulated 10 delinquent accounts exceeding \$34,000. (GEs 2-5) The SOR debts are listed as follows: SOR ¶¶ 1.a (an individual loan account for \$12,857); 1.b (an individual credit card account for \$2,575); 1.c (an individual loan account for \$2,336), 1.d (an individual credit card account for \$1,421); 1.e (an individual credit card account for \$1,150); 1.f (a child support account for \$9,372); 1.g (an individual credit card account for \$2,669); 1.h (an individual credit card account for \$2,495); 1.i (an individual consumer account for \$247); and 1.j (an individual credit card account for \$1,303).

Applicant attributed his debt delinquencies to his prior divorce and ensuing child support obligations, unemployment, and insufficient income to cover all of his accrued

loans and credit card accounts in a timely way. (AE A; Tr. 49) His enlisting of a debt management firm following his 2015 divorce proved to be of limited value to him. (Tr. 48-49) With the proceeds from the sale of his home in 2022, he has paid off his delinquent accounts and brought his child support arrears into current status. (AEs A-J and L-M; Tr. 49-53))

Applicant's alcohol-related offenses

As a young adult, Applicant was involved with several alcohol-related offenses. Records document that between April 2001 and August 2002 he was arrested and charged with underage drinking on four separate occasions. (GEs 2 and 8) In April and May 2001, he was twice arrested and charged with underage drinking while on active military duty. In both cases he was charged with violating Art. 92 of the Uniform Code of Military Justice (UCMJ.

In a third alcohol-related incident while on military duty, he was arrested and charged with underage drinking in August 2002 under the UCMJ. (GEs 2 and 8) Following the directions of his Marine Corps commander, he attended a number of Alcoholics Anonymous (AA) meetings. (Tr. 43) In a separate civilian incident in March 2002, he was civilly arrested for underage consumption or possession of alcohol and was found guilty. (GEs 2 and 8) Disposition proceedings are unclear.

Between January 2015 and December 2018, Applicant was arrested on several occasions for alcohol-related offenses. Records confirm that in January 2015, he was at home drinking alone. (GEs 2 and 8) He estimated to have consumed 10 to 12 beers before making the poor decision to go driving. At the time, he was still grieving over his 2015 divorce and was using alcohol to self-medicate. (GEs 2 and 8) While driving on a flat tire, he was stopped by police and administered field sobriety tests. After administering the tests, police arrested Applicant and transported him to a local police station, where he was administered a breathalyzer. (GEs 2 and 8) Failing the breathalyzer, he was arrested and charged with Dul.

Before a delayed court appearance on his 2015 Dul charges, Applicant was arrested again for DUI in January 2016. (GEs 2 and 8) Prior to driving, he had consumed four beers in a local night club. (GE 8) After pulling out of the parking lot, he was stopped by a police car for an observed flat tire and administered field tests. (GEs 2 and 8) Following consultations between the two officers at the scene, he was transported to a local police station and administered a breathalyzer.

Upon appearing in court in August 2017 on his 2015 and 2016 Dul charges (consolidated for hearing), he pled guilty to Dul charges arising from his 2015 and 2016 incidents and was placed in the court's pre-trial diversion program. For both offenses. Applicant completed his program requirements, and both the 2015 and 2016 the charges were dismissed in March 2018 on a court-approved motion of government counsel. (AEs O-P)

Following his recurrent Dul offenses in 2015 and 2016, respectively, Applicant ceased drinking altogether for about a year before resuming his consumption of alcohol. (GEs 2 and 8) In December 2018, he was arrested again for Dul after consuming a beer mixed with a sleeping medication. (GEs 2 and 8)

Backing out of his driveway, he struck his neighbor's truck and was subsequently transported to a local police station for suspected Dul. After being arrested and charged with Dul, the charges were dismissed in April 2018 on a court-approved motion of government counsel (citing a remote offense). (AE Q) Applicant has had no further alcohol-related incidents since 2018.

Applicant's alcohol treatment history

Concerned about his drinking, Applicant self-referred himself to outpatient alcohol counseling and treatment in September 2002. (GEs 2 and 8) While details of his counseling and treatment are limited, he admitted to being professionally diagnosed for alcohol abuse and dependence by his treatment counselors. (GE 8)

Without an alcohol abuse or dependence diagnosis to restrict his drinking, Applicant continued to consume alcohol, believing at the time that he did not have an alcohol problem. (GE 8) After incurring three more alcohol-related incidents between 2015 and 2018, he came to realize that was impacting his health and finances in negative ways.

In accordance with a DoD directive, Applicant was involuntarily referred to a certified mental health provider (licensed in psychiatry) in October 2021. (GE 7) In his professional evaluation of Applicant, the licensed professional evaluator reviewed Applicant's medical and alcohol history before making a medical diagnosis. (GE 7) Noting Applicant's development history (inclusive of Applicant's 2015-2016 and 2018 Duls), the evaluator entered a diagnosis of Applicant of major depressive disorder, recurrent, mild, along with a generalized anxiety disorder (active). (GE 7) However, the evaluator made no alcohol abuse or dependence disorder.

In a more recent October 2023 professional outpatient evaluation of Applicant's general mental and emotional state by a licensed, certified psychiatrist affiliated with the Department of Veterans Affairs (VA), evaluators diagnosed Applicant with alcohol dependence in remission, along with depression not otherwise specified and anxiety not otherwise specified. (AEs K and N; Tr. 84-85) His evaluator credited him with being stable with medications prescribed to treat his anxiety issues and discharged him with no recommended follow-up counseling sessions. (AE K; Tr. 40, 85) Applicant continues to consume alcohol in moderation. (Tr. 36-38)

Employment termination issues

While employed by a previous employer (between 2025 and 2020), Applicant maintained an inappropriate relationship with a subordinate employee in violation of his

employer's code of ethics policy. (GEs 1 and 8) His relationship with the employee never became a problem until he was promoted to a leadership position. (Tr. 93-96) Although he terminated the relationship in January 2020, reports did not surface until months later. As a result, he did not receive his notice of termination from his employer until August 2020. (GEs 1 and 8) Applicant has not kept in touch with the subordinate employee since his termination and currently enjoys a happy and fulfilling relationship with his fiancée.

Policies

By virtue of the jurisprudential principles recognized by the U.S. Supreme Court in *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988), "no one has a 'right' to a security clearance." As Commander in Chief, "the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information." *Id.* at 527. Eligibility for access to classified information may only be granted "upon a finding that it is clearly consistent with the national interest to do so." Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with an evaluation of the whole person. An administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. An administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable.

The AGs list guidelines to be considered by judges in the decision-making process covering DOHA cases. These guidelines take into account factors that could create a potential conflict of interest for the individual applicant, as well as considerations that could affect the individual's reliability, trustworthiness, and ability to protect classified information.

These guidelines include conditions that could raise a security concern and may be disqualifying (disqualifying conditions), if any, and all of the conditions that could mitigate security concerns, if any. These guidelines must be considered before deciding whether or not a security clearance should be granted, continued, or denied. Although, the guidelines do not require judges to place exclusive reliance on the enumerated disqualifying and mitigating conditions in the guidelines in arriving at a decision.

In addition to the relevant AGs, judges must take into account the pertinent considerations for assessing extenuation and mitigation set forth in \P 2(a) of the AGs, which are intended to assist the judges in reaching a fair and impartial, commonsense decision based on a careful consideration of the pertinent guidelines within the context of the whole person. The adjudicative process is designed to examine a sufficient period

of an applicant's life to enable predictive judgments to be made about whether the applicant is an acceptable security risk.

When evaluating an applicant's conduct, the relevant guidelines are to be considered together with the following \P 2(d) factors: (1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation of the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

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

Financial Considerations

The Concern: Failure or inability to live within one's means, satisfy debts and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules or regulations, all of which can raise questions about an individual's reliability, trustworthiness and ability to protect classified or sensitive information. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An individual who is financially overextended is at greater risk of having to engage in illegal acts or otherwise questionable acts to generate funds AG ¶ 18.

Alcohol Consumption

The Concern: 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. AG \P 21.

Personal Conduct

The Concern: Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, and trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes . . . AG ¶ 15.

Burdens of Proof

The Government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and endures throughout off-duty hours. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about potential, rather than actual, risk of compromise of classified information. Clearance decisions must be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." See Exec. Or. 10865 § 7. See also Exec. Or. 12968 (Aug. 2, 1995), § 3.1.

Initially, the Government must establish, by substantial evidence, conditions in the personal or professional history of the applicant that may disqualify the applicant from being eligible for access to classified information. The Government has the burden of establishing controverted facts alleged in the SOR. See Egan, 484 U.S. at 531. "Substantial evidence" is "more than a scintilla but less than a preponderance." See v. Washington Metro. Area Transit Auth., 36 F.3d 375, 380 (4th Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an applicant's security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

Once the Government establishes a disqualifying condition by substantial evidence, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An applicant "has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his [or her] security clearance." ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). The burden of disproving a mitigating condition never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005). "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531; see AG ¶ 12(b).

Analysis

Security concerns are raised over Applicant's accumulation of delinquent debts. Additional concerns are raised over his history of alcohol abuse and prior employment termination issues associated with having an inappropriate relationship with a subordinate employee during his employment with a prior employer. Security concerns raised under Guidelines F and G are cross-alleged as well under Guideline E.

Financial concerns

Applicant's accumulation of delinquent debts over an extended period warrants the application of two disqualifying (DCs) under the financial considerations guideline (DC). DC ¶¶ 19(a), inability to satisfy debts"; and 19(c) "a history of not meeting financial obligations" apply to Applicant's situation.

Financial stability in a person cleared to protect classified information is required precisely to inspire trust and confidence in the holder of a security clearance that entitles the person to access classified information. While the principal concern of a security clearance holder's demonstrated difficulties is vulnerability to coercion and influence, judgment and trust concerns are implicit in cases involving delinquent debts.

Historically, the timing of addressing and resolving debt delinquencies are critical to an assessment of an applicant's trustworthiness, reliability, and good judgment in following rules and guidelines necessary for those seeking access to classified information or to holding a sensitive position. See ISCR Case No. 14-06808 at 3 (App. Bd. Nov. 23. 2016); ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). In Applicant's case, his debt delinquencies are attributable to several contributing factors: his prior divorce and ensuing child support obligations, unemployment, and insufficient income to timely cover all of his accrued loans and credit card accounts.

Applicable mitigating conditions (MC) include MC ¶¶ 20(b), "the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstance" and 20 (d), "the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts."

While Applicant has been dilatory about monitoring and addressing her debts, extenuating circumstances and mitigating conditions have been major factors. Overall, his debt management initiatives have been encouraging and helped him to meet his evidentiary burdens of demonstrating the responsible requirements of MC \P 20(b) for managing his finances.

In evaluating Guideline F cases, the Appeal Board has stressed the importance of a "meaningful track record" that includes evidence of actual debt reduction through the voluntary payment of accrued debts. See ISCR Case No. 19-02593 at 4-5 (App. Bd. Oct. 18, 2021); ISCR Case No. 19-01599 at 3 (App. Bd. Jan. 20, 2020). Based on the evidence presented, Applicant is able to demonstrate a sufficient tangible track record of actual debt reduction to satisfy Appeal Board guidance associated with the responsible and good-faith payment requirements of MCs ¶¶ 20(b) and 20(d).

Alcohol concerns

Additional security concerns are raised over Applicant's multiple years of alcohol-related incidents spanning the years of 2001-2002 and his years of recurrent alcohol abuse between 2015 and 2018. Treatment admissions included both voluntary and involuntary referrals.

On the strength of the evidence documented in the record, two disqualifying conditions (DCs) of the alcohol consumption guideline apply. DCs ¶¶ 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"; and 22(c), "habitual or binge consumption of alcohol to the point of impaired judgment, regardless of whether the individual is diagnosed with alcohol abuse disorder" are all applicable to the facts of record in Applicant's case.

While recognizing his mistakes in judgment associated with his recurrent periods of abusive drinking, even after receiving counseling and treatment of abusing alcohol, both in 2001 and again in 2002, Applicant's abusive drinking is extenuated in considerable part by his experienced post-divorce emotional stress. With the emotional fallout from his 2015 divorce now behind him. he no longer feels any need to self-medicate with alcohol to overcome the emotional stresses of his life.

Based on the evidence presented, Applicant may take advantage of several mitigating conditions (MCs). MCs ¶¶ 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 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." Each of these MCs apply to Applicant's situation in this case.

Applicant's corrective actions taken to reduce any recurrence risks are several. He has received VA counseling to address his emotional issues associated with his 2015 divorce and unemployment difficulties, he has established a fulfilling and enduring personal relationship with his fiancé, and he has received and benefitted from the positive counseling and treatment advice he recently received from his VA mental health counselors. With over five years of corrective actions taken by Applicant since his last reported Dul in 2018, Applicant can be credited with making considerable progress in the management of his mental health and alcohol intake. Validation of his maintaining his controlled drinking over the past five-plus years is well supported and accepted. Relapse risks are minimal.

Personal conduct concerns

Security concerns covered by Guidelines F and G are cross-alleged under Guideline E. Raised concerns over the state of Applicant's finances and recurrent alcohol-related incidents away from work are fully covered by Guidelines F and G and do not require separate consideration under Guideline E.

Separate concerns raised over 2020 termination by a prior employer due to an inappropriate relationship with a subordinate employee while admitted and pertinent to material questions over his trustworthiness, reliability and willingness to follow DoD rules, regulations, and policies when faced with personal choices are extenuated by the relative length of his relationship with the employee before he was promoted and subjected to his employer's code of ethics policy with little advanced notice or time to extricate himself from the relationship before he received his termination notice (without prior warning).

Considering all of the facts and circumstances surrounding Applicant's isolated ethics breach, implicit allegations of overall trust and reliability loss are unsubstantiated. Months before his termination he severed his relationship with his former coworker and replaced his relationship with her with his current fiancée. Since breaking off his relationship with his former coworker, Applicant has had no contact with her.

Whole-person assessment

Whole-person assessment of Applicant's clearance eligibility requires consideration of whether his finances and alcohol history are fully compatible with minimum standards for holding a clearance. Taking into account Applicant's credited defense contributions, his extenuating circumstances associated with his stressful divorce and months of ensuing unemployment and demonstrated progress in restoring his finances and alcohol intake to stable levels while addressing his underlying issues of diagnosed depression and anxiety (non-specified).

Overall, Applicant has demonstrated sufficient responsibility in regaining control of his finances and drinking practices to enable him to meet minimum trustworthiness, reliability, and good judgment requirements for holding a security clearance. See Snepp v. United States, 444 U.S. 507, 511n.6 (1980).

I have carefully applied the law, as set forth in *Department of Navy v. Egan,* 484 U.S. 518 (1988), Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person. I conclude financial considerations, alcohol consumption, and personal conduct security concerns are mitigated. Eligibility for access to classified information is granted.

Formal Findings

Formal findings For or Against Applicant on the allegations set forth in the SOR, as required by Section E3.1.25 of Enclosure 3 of the Directive, are:

GUIDELINE F (FINANCIAL CONSIDERATIONS): FOR APPLICANT

Subparagraphs 1.a-1.j: For Against Applicant

GUIDELINE G (ALCOHOL CONSUMPTION): FOR APPLICANT

Subparagraphs 2.a-2.g: For Applicant

GUIDELINE E (PERSONAL CONDUCT): FOR APPLICANT

Subparagraphs 3.a-3.b: For Applicant

Conclusion

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

Roger C. Wesley
Administrative Judge