



**DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:)
)
) ISCR Case No. 25-01467
)
Applicant for Security Clearance)

Appearances

For Government: Brian L. Farrell, Esq., Department Counsel

For Applicant: *Pro se*

05/27/2026

Decision

DRISKILL, A. M., Administrative Judge:

Applicant did not mitigate the security concerns under Guideline F (Financial Considerations). Eligibility for access to classified information is denied.

Statement of the Case

On December 8, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F. Applicant responded to the SOR on January 13, 2026 (Answer) and requested a decision on the written record in lieu of a hearing. The Government’s written case was submitted on February 10, 2026. A complete copy of the file of relevant material (FORM) was provided to Applicant, who was afforded an opportunity to file objections and submit material to refute, extenuate, or mitigate the security concerns. Applicant received the FORM on February 17, 2026, and he did not respond. The case was assigned to me on April 3, 2026. The Government exhibits included in the FORM (Items 3-10) are admitted in evidence without objection.

Findings of Fact

The SOR alleges Applicant has three court judgments and 14 delinquent debts totaling \$38,310. He admitted the debts were his but denied they were his responsibility. All the allegations are supported by Applicant's January and November 2025 credit bureau reports (CBR) and the court documents pertaining to the three judgments. (Items 5-9)

Applicant is 51 years old. He earned a bachelor's degree in 2015. He served on active duty in the Air Force from 1993 to 1997, receiving an other than honorable discharge. He has been married three times, with his last divorce in September 2025. He has one minor child, three adult children, and one adult stepchild. He was first granted a security clearance in 1993. He has worked for his current employer since December 2024. (Items 3, 4)

On his December 2024 security clearance application (SCA), Applicant reported that he had about \$3,000 in unspecified credit card debt, explaining that his spouse refused to pay the debts that she accumulated with his credit cards. He stated that the issue was still outstanding while the divorce was pending, but that he was requesting she pay the debts or pay him back for the debts. He also stated he was going to use his retirement money to cover the debts. (Item 3)

Applicant had a background subject interview (SI) with a government investigator in January 2025. He told the investigator that his financial situation was "not good" due to his separation and his spouse's refusal to pay for the debt. The investigator went through each debt alleged on the SOR, and for each debt Applicant stated that he was not aware of any issues with the account, nor had he been contacted about the account. He added that the debt alleged in SOR ¶ 1.j was paid off four or five years prior, and that the account alleged in SOR ¶ 1.k should not have a balance. He expressed an intention to investigate each debt and arrange a settlement or establish a payment plan. (Item 10)

In his October 2025 response to Government interrogatories, Applicant reported that he had not paid any of the listed debts except for that alleged in SOR ¶ 1.j, which he reported as paid but stated that the creditor did not have a record of the payment. He explained that the debts were incurred when he was married, and he thought his wife was paying them through their joint account. He stated that he was left with the debt after the divorce because the accounts were in his name, and she was just a user on the accounts. He stated that he intended to get a home equity line of credit (HELOC) to pay the debts and then use money from his ex-wife to pay back the HELOC. It is unclear from his response why or how his ex-wife would be paying him, whether court-ordered, mutually agreed upon, or otherwise. A personal financial statement included in the response reflects a net monthly remainder of \$5,293. (Item 4)

In his Answer to the SOR, Applicant cited his decades of service as a law enforcement officer as proof of his good judgment and willingness to follow rules and regulations. He explained that his wife "charged up" the debts and did not pay the bills,

and by the time he found out about them, they had already gone to collection or been charged off. He stated that his ex-wife said she would pay the debts, but she did not pay them because they were not in her name. He stated that he had to pay “everything” when they separated and now, he is “left to put [his] financial life back together.” He did not provide any proof of actions taken toward the alleged debts. (Item 2)

Policies

This case is adjudicated under Executive Order 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.

“[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 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.

The evidence in the FORM, specifically the two CBRs and the three court judgments, establish the following disqualifying conditions under this guideline:

AG ¶ 19(a): inability to satisfy debts;

AG ¶ 19(b): unwillingness to satisfy debts regardless of the ability to do so; and

AG ¶ 19(c): a history of not meeting financial obligations.

The following mitigating conditions 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 ¶ 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.

Applicant indicated that he paid the debt alleged in SOR ¶ 1.j, but he did not provide any proof that that account was paid or that he had disputed the legitimacy of the past-due debt. AG ¶¶ 20(d) and 20(e) are not established for SOR ¶ 1.j.

Applicant denied that he is responsible for paying the alleged debts despite them being in his name because his ex-wife had incurred the debt without his knowledge. He did not provide proof that the debts were assigned to his ex-wife in the divorce, nor that he had made arrangements to pay the debts and have his ex-wife pay him back. It appears he has not taken any actions toward resolving his delinquent debts, but he is still legally responsible for them. AG ¶ 20(d) is not established.

Applicant disclosed in his SCA, SI, and response to interrogatories that his wife's spending without his knowledge led to his financial situation. All the debts remain delinquent; therefore, the financial concerns are recent and ongoing. He has not established that his financial problems are being resolved or are under control. He did not provide any proof of responsible action taken toward the debts, so even if they had arisen under circumstances beyond his control, they are not mitigated. AG ¶¶ 20(a) and 20(b) are not established.

Whole-Person Concept

Under AG ¶ 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 ¶ 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 applied the adjudicative factors in AG ¶ 2(d). Because Applicant requested a determination on the record without a hearing, I had no opportunity to evaluate his credibility and sincerity based on demeanor. See ISCR Case No. 01-12350 at 3-4 (App. Bd. Jul. 23, 2003). After weighing the disqualifying and mitigating conditions under Guideline F and evaluating all the evidence in the context of the whole person, I conclude Applicant has not mitigated the security concerns raised under Guideline F, financial considerations.

Formal Findings

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a-1.q:	Against Applicant

Conclusion

I conclude 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.

A. M. Driskill
Administrative Judge