

DATE: April 13, 2004

In Re:

SSN: -----

Applicant for Security Clearance

ISCR Case No. 02-22180

DECISION OF ADMINISTRATIVE JUDGE

JOSEPH TESTAN

APPEARANCES

FOR GOVERNMENT

Jennifer I. Campbell, Department Counsel

FOR APPLICANT

Pro Se

SYNOPSIS

Applicant's inability or unwillingness to address her long-standing past-due debts precludes a finding that it is now clearly consistent with the national interest to grant her access to classified information. Clearance is denied.

STATEMENT OF THE CASE

On September 10, 2003, the Defense Office of Hearings and Appeals (DOHA), pursuant to Executive Order 10865 and Department of Defense Directive 5220.6 (Directive), dated January 2, 1992, issued a Statement of Reasons (SOR) to applicant which detailed reasons why DOHA could not make the preliminary affirmative finding under the Directive that it is clearly consistent with the national interest to grant or continue a security clearance for applicant and recommended referral to an Administrative Judge to determine whether clearance should be denied or revoked.

Applicant responded to the SOR in writing on October 8, 2003. The case was assigned to the undersigned on January 8, 2004. Notices of Hearing were issued on February 12 and March 4, 2004, and the hearing was held on March 19, 2004. Following the hearing, applicant submitted eight pages of documents. These documents, and Department Counsel's letter indicating she has no objection to the documents, were marked as Exhibit F and admitted into evidence. The transcript was received on April 6, 2004.

FINDINGS OF FACT

Applicant is a 43 year old Resource Control Specialist.

SOR Allegation 1.a. Applicant has been indebted to this creditor in the amount of at least \$1,983.00 since at least 2003.

SOR Allegation 1.b. Applicant was indebted to this creditor in the amount of \$688.00. After the account went delinquent and was "charged off," she settled with the creditor for \$490.00. She made the \$490.00 payment in November 2003 (Exhibits 4, E, and F).

SOR Allegation 1.c. Applicant is indebted to this creditor in the approximate amount of \$4,021.00. This account went delinquent and was eventually "charged off" by the creditor in 2002.

SOR Allegation 1.d. Applicant is indebted to this creditor in the approximate amount of \$520.00. This account went delinquent and was eventually "charged off" by the creditor in 2003.

SOR Allegation 1.e. Applicant satisfied this past-due \$137.00 debt in November 2003.

SOR Allegation 1.f. Applicant is indebted to this creditor for a past-due credit card account with Exxon. The exact amount of indebtedness cannot be determined from the record.

SOR Allegation 1.g. Applicant is indebted to this creditor in the approximate amount of \$761.00. This past-due credit card account was "charged off" by the creditor in June 2003.

SOR Allegation 1.h. Applicant satisfied this \$27.00 past-due debt in May 2003.

SOR Allegation 1.i. Applicant filed a Chapter 7 bankruptcy petition in 1997. Unsecured personal credit debts totaling \$9,200.00 were discharged by the bankruptcy court in 1997. Since the date of that discharge, applicant has incurred all of the aforementioned debts.

Letters from three of applicant's coworkers, including her supervisor, were admitted into evidence. In general, applicant is described by these individuals as hardworking and honest.

CONCLUSIONS

The evidence establishes that after discharging approximately \$9,200.00 in unsecured credit debt in 1997, applicant fell behind on her debt payments to at least eight new creditors during the past several years. The evidence further establishes that after satisfying three of these past-due debts in 2003 by making total payments of approximately \$654.00, she is still indebted to at least five different creditors in the approximate amount of \$7,200.00. Applicant's continuing failure to honor her financial commitments reflects adversely on her judgment, reliability and trustworthiness, and strongly suggests that she cannot be relied upon to safeguard classified information.

Applicant testified that she intends to satisfy her past-due debts, but offered no credible plan for doing so. Given this fact, her multi-year history of not meeting her financial obligations (Disqualifying Condition E2.A6.1.2.1), and her long-standing inability or unwillingness to satisfy her debts (Disqualifying Condition E2.A6.1.2.3.), I conclude that there is little or no chance applicant will resolve her financial difficulties anytime soon.

Applicant's payment of three of her smaller debts in 2003 is noted. However, when the evidence is viewed as a whole, this conduct does not constitute a "good-faith effort to repay overdue creditors or otherwise resolve debts." Accordingly, applicant does not qualify for Mitigating Condition E2.A6.1.3.6. Based on the foregoing, Guideline F is found against applicant.

FORMAL FINDINGS

PARAGRAPH 1: AGAINST THE APPLICANT

Subparagraphs 1a, 1c, 1d, 1f, 1g and 1i: Against the Applicant

Subparagraphs 1b, 1e, and 1h: For the Applicant

DECISION

In light of all the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant or continue a security clearance for applicant.

Joseph Testan
Administrative Judge