

DATE: March 27, 1998

In Re:

Applicant for Security Clearance

ISCR Case No. 97-0659

DECISION OF ADMINISTRATIVE JUDGE

JOSEPH TESTAN

APPEARANCES

FOR GOVERNMENT

Martin H. Mogul, Department Counsel

FOR APPLICANT

Pro Se

STATEMENT OF THE CASE

On October 2, 1997, 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) (copy appended) 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 14, 1997. The case was received by the undersigned on December 31, 1997. A Notice of Hearing was issued on January 12, 1998, and the hearing was held on February 19, 1998.

FINDINGS OF FACT

Applicant is twenty-four years of age. He is employed as a security officer by a defense contractor.

With the exception of Paragraph 1f, [\(u\)](#) applicant admits that he is indebted as alleged in SOR Paragraphs 1a through 1n. SOR Paragraphs 1a, 1b, 1c, 1d, 1e, 1g, 1h, 1i, 1j, 1k, 1l, 1m and 1n are therefore incorporated by reference as Findings of Fact. Applicant has not made a payment to any of these thirteen creditors since at least September 1997. His total indebtedness to the thirteen creditors is approximately \$10,000.00.

In a signed, sworn statement that he gave to the Defense Security Service (DSS) in January 1997 (G-2), applicant stated that he did not intend to repay any of his creditors. At the hearing he testified that he has changed his mind and now intends to satisfy some of the smaller debts when he is financially able to do so (TR at 12).

Applicant testified that his financial difficulties began after he lost his job following a work-related automobile accident in 1995. His unemployment from August to approximately November 1995 caused him to fall behind on his debt payments, and for a variety of reasons, he has been unable to catch up (TR 31-32).

POLICIES

Enclosure 2 of the Directive sets forth the Adjudication Policy (divided into Disqualifying Factors and Mitigating Factors) which must be followed by the Administrative Judge. Based on the foregoing Findings of Fact, the following Disqualifying Factors and Mitigating Factors are applicable:

FINANCIAL CONSIDERATIONS

Disqualifying Factors:

1. A history of not meeting financial obligations.
3. Inability or unwillingness to satisfy debts.

Mitigating Factors:

3. The conditions that resulted in the behavior were largely beyond the person's control (e. g., loss of employment).

CONCLUSIONS

The evidence establishes that applicant has been indebted to at least thirteen creditors in the total amount of approximately \$10,000.00 since at least September 1997. Although applicant's financial problems were caused in large part by a factor beyond his control (i.e., his unemployment following his 1995 automobile accident), the fact remains he has taken little or no action to satisfy any of these thirteen debts, only one of which is in excess of \$1,000.00. Given applicant's inability or unwillingness to take any meaningful action to satisfy these thirteen long-standing debts, particularly the relatively small debts, and the lack of any evidence that reasonably suggests applicant's financial condition is likely to significantly improve anytime soon, it is not clearly consistent with the national interest to grant him access to classified information at this time. For this reason, Criterion F is found against applicant.

FORMAL FINDINGS

PARAGRAPH 1: AGAINST 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

1. Applicant testified, credibly, that his former roommate incurred this debt without applicant's knowledge or permission (TR at 13-14). For this reason, this debt will not be considered in reaching a decision in this case.