



DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS



In the matter of:)
)
) ISCR Case No. 11-01393
)
Applicant for Security Clearance)

Appearances

For Government: Robert J. Kilmartin, Esquire, Department Counsel
For Applicant: *Pro se*

06/01/2012

Decision

CREAN, Thomas M., Administrative Judge:

Based on a review of the pleadings, exhibits, and testimony, eligibility for access to classified information is denied.

Statement of the Case

On August 11, 2010, Applicant submitted an Electronic Questionnaire for Investigations Processing (e-QIP) to obtain a security clearance required for a position with a defense contractor. After an investigation conducted by the Office of Personnel Management (OPM), the Defense Office of Hearings and Appeals (DOHA) issued an interrogatory to Applicant to explain potentially disqualifying information in his background. After reviewing the results of the background investigation and Applicant's response to the interrogatory, DOHA could not make the preliminary affirmative findings required to issue a security clearance. DOHA issued a Statement of Reasons (SOR), dated August 26, 2011, detailing security concerns for financial considerations and personal conduct. These actions were taken under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the

adjudicative guidelines, effective within the Department of Defense on September 1, 2006 (AG). Applicant acknowledged receipt of the SOR on September 7, 2011.

Applicant answered the SOR on October 5, 2011, admitting six and denying 42 of the allegations under Guideline F of the AG. He denied the three allegations of providing false or misleading answers on security clearance applications under Guideline E for personal conduct. Department Counsel was prepared to proceed on December 29, 2011, and the case was assigned to me on February 21, 2012. DOHA issued a Notice of Hearing on February 27, 2012, scheduling a hearing for March 19, 2012. I convened the hearing as scheduled. The Government offered five exhibits that I marked and admitted into the record without objection as Government Exhibits (Gov. Ex.) 1 through 5. Applicant testified. Applicant offered four exhibits that I marked and admitted into the record without objection as Applicant Exhibits A through D. Applicant was advised by Department Counsel to bring all relevant documents, including medical records, financial records, and police reports, to the hearing. Applicant did not provide these documents at the hearing. (See Transcript 22-25) I left the record open for Applicant to submit additional documents. Applicant timely submitted 24 documents that I marked and admitted into the record without objection as App. Ex. E through BB. Since most of the exhibits had duplicate information and did not clearly correlate to the SOR allegations. I requested that Department Counsel ask Applicant to clarify his submissions. (Gov. Ex. 6, e-mail, dated May 23, 2012) Applicant timely provided the information requested. (App. Ex. CC, Fax, dated May 28, 2012) Department Counsel had no objection to admitting this exhibit into the record. (Gov. Ex. 7, e-mail, dated May 29, 2012). DOHA received the transcript of the hearing (Tr.) on March 27, 2012.

Findings of Fact

After a thorough review of the pleadings, transcript, and exhibits, I make the following essential findings of fact.

Applicant is 47 years old and has been an assistant security officer for a defense contractor since July 2010. He served on active duty in the Army from November 1984 until December 1987, and received an honorable discharge. He again served from August 1991 until November 1992, as he attempted to qualify for assignment in Special Forces. He was injured during training and was discharged with an honorable discharge. (Tr. 27-30; Gov. Ex. 1, e-QIP, dated August 11, 2010)

Applicant's personal financial statement, submitted in response to the interrogatory, shows monthly income of \$1,893.18 and monthly expenses of \$1,539.64, leaving approximately \$315 in monthly discretionary income. Applicant noted that this amount varies from month to month because of the needs of his family. Applicant's wife is in nursing school. She receives grants to assist with her tuition and expenses. Some of the grant funds are also applied to household needs. His wife has almost completed her schooling, and hopes to start work as a nurse in September 2012. At that time, the family will have two incomes and will be better able to pay debts. His primary focus now is to use his present income to stay current with the family's everyday financial obligations. He is current with both his first and second mortgage payments, which he has been making for over five years. He and his wife have only one credit card, and

they are current with the required payments. His future financial plan is to pay his delinquent debts when he receives extra income after being granted a top secret security clearance and his wife is working and receiving income. He and his wife have received financial counseling through his church. He has over \$6,000 in his 401(k) account. He will incur a tax penalty if he withdraws these funds. (Tr. 21-22, 27-28, 30-34, 42-45; Gov. Ex. 3, Personal Financial Statement, dated August 29, 2011; Gov. Ex. 6, Memorandum, dated October 6, 2011; App. Ex. C, W-2 for 2008; App. Ex. D, W-2 for 2009; App. Ex. E, W-2 for 2010; App. Ex. F, W-2 for 2011; App. Ex. G and H, Mortgage Statements, dated March 19, 2012)

A credit report (Gov. Ex. 3, dated March 15, 2011, and Gov. Ex. 4, dated August 29, 2011) shows the following financial actions and delinquent debts for Applicant: a Chapter 7 Bankruptcy filed on May 3, 2005, converted to Chapter 13 on August 1, 2005, and dismissed on September 20, 2005 (SOR 1.a); a judgment for \$1,694 (SOR 1.b); a telephone account in collection for \$161 (SOR 1.c); a loan in collection for \$8,533 (SOR 1.d); a credit card debt in collection for \$2,509 (SOR 1.e); a credit card account in collection to the same creditor for \$1,890 (SOR 1.f); accounts with the same creditor charged off for \$5,031 (SOR 1.g), \$10,109 (SOR 1.h), \$9,380 (SOR 1.i), and \$10,001 (SOR 1.j); an account in collection for \$22,032 (SOR 1.k); credit union accounts to the same credit union in collection for \$11,101 (SOR 1.l), and \$5,031 (SOR 1.m); apartment rent in collection for \$2,916 (SOR 1.n); an account in collection for \$315 (SOR 1.o); a credit card in collection for \$3,690 (SOR 1.p); a telephone account in collection for \$1,186 (SOR 1.q); two credit card accounts with the same creditor in collection for \$417 (SOR 1.r) and \$629 (SOR 1.s); two accounts charged off with the same creditor for \$7,779 (SOR 1.t), and \$17,011 (SOR 1.u); an account past due for \$1,474 (SOR 1.v); an account in collection for \$241 (SOR 1.w); a telephone account in collection for \$347 (SOR 1.x); another telephone account in collection for \$844 (SOR 1.y); a medical account in collection for \$437 (SOR 1.z); an apartment rent account in collection for \$2,177 (SOR 1.aa); an account in collection for \$183 (SOR 1.bb); an account in collection for \$235 (SOR 1.cc); a bank account in collection for \$2,000 (SOR 1.dd); another bank account in collection for \$6,952 (SOR 1.ee); a credit union account in collection for \$9,668 (SOR 1.ff); two car loans with the same creditor in collection for \$11,526 (SOR 1.gg) and \$9,247 (SOR 1.hh); a bank account in collection for \$1,256 (SOR 1.ii); medical accounts in collection for \$10,890 (SOR 1.jj), \$4,397 (SOR 1.kk), and \$1,256 (SOR 1.ll); another apartment rent account in collection for \$3,125 (1.mm); another telephone account in collection for \$604 (SOR 1.nn); two credit union accounts with the same credit union in collection for \$2,366 (SOR 1.oo) and \$8,396 (SOR 1.pp); a cable account in collection for \$749 (SOR 1.qq); three medical accounts in collection for \$187 (SOR 1.rr), \$112 (SOR 1.ss), and \$923 (SOR 1.tt); and two charged off accounts with the same creditor for \$6,578 (SOR 1.uu) and \$1,348 (SOR 1.vv). Applicant admits the bankruptcy in SOR 1.a, and the debts at SOR 1.g, 1.h, 1.i, 1.j, 1.z, and 1.ll. He denied the other debts, alleging the debts were not his because he was a victim of identity fraud. Applicant admits to debts in excess of \$35,000. (Tr. 39-41; See, Gov. Ex. 5, Security Interview, dated September 15, 2010; and Gov. Ex. 2, Response to Interrogatory, dated October 3, 2011)

Applicant discussed with an attorney filing bankruptcy in 2005. He was behind on payment for his motorcycle. He paid the attorney to file the bankruptcy to protect his

interests in the motorcycle. The attorney filed a Chapter 7 bankruptcy but converted it to a Chapter 13 action. Before the Chapter 13 trustee was appointed, the motorcycle was repossessed, and Applicant told the attorney to stop the bankruptcy. Since the bankruptcy was not completed, Applicant did not include the bankruptcy in response to questions on his August 11, 2010 security clearance application. (Tr. 27-35, 67-69; Gov. Ex. 5, Bankruptcy Documents, dated May 3, 2005)

Applicant's finances were good until June 2009. (Tr. 19-20; App. Ex. D, Credit Report, dated July 13, 2009) He was involved in a fight at a restaurant on June 19, 2009. (App. Ex. AA, Police Report, dated June 19, 2009) He received a severe head injury, and claims he had some mental and balance problems that affected his ability to work. Applicant did not present any medical information to show how and if his injuries affected his ability to meet his financial obligations. He filed a civil suit and received a judgment against the restaurant for \$33,000. His attorney paid his medical bills from the judgment. He was current with his remaining debts at the time, but claimed his mental status affected his ability to continue to know about and pay his debts. (Tr. 20-25; App. Ex. BB, Settlement Agreement, dated November 21, 2010)

Applicant admitted the debts at SOR 1.g, 1.h, 1.i, and 1.j. The debts are loans with a credit union. The debts at SOR 1.i and 1.j were reduced to a judgment by the creditor. Applicant reached a settlement with the creditor paying \$200 a month in satisfaction on the judgment since February 2011. The debts have been reduced to \$2,700 for SOR 1.i and \$5,000 for SOR 1.j. (Tr. 15; App. Ex. A, Letter, dated March 14, 2012; App. Ex. I, Letter, dated February 25, 2012) Applicant did not present any credible information on payments for the debts at SOR 1.g and 1.h. (Tr. 16-17, 49-40; App. Ex. B and E, Attorney letter, dated October 5, 2011;) Applicant admitted the medical debts at SOR 1.z and 1.ii. These debts were from medical treatment received as a result of the head injury. The debts were paid from the settlement. Applicant was not sure if the other medical debts at SOR 1.jj, 1.kk, 1.rr, 1.ss, and 1.tt were from this incident and paid by his attorney. He has not inquired about these accounts, and he did not present any information on payment of the debts. (Tr. 52, 59-64; App. Ex. B and E, Attorney Letter, dated October 5, 2011).

Applicant denied the remaining debts. He claims they are not his debts because he was the victim of identity theft. He presented a letter from a state division of motor vehicles from 1995 to show that there were other people with his same name and a similar social security number. (App. Ex. C, Letter, dated June 2, 1995) He presented a letter from a credit counseling organization stating that they were assisting him to investigate the legality of negative information on his credit reports. (App. Ex. F, letter, dated March 21, 2011) He presented no other reports, police or otherwise, claiming that his identity had been stolen and was used to gain financial assets. Applicant filed a complaint with the credit reporting agency, noting that many debts on his credit report were not his debts. These debts are listed on the credit report as being incurred from approximately 2008 until 2010. (Tr. 45-47, 50-52, 52-59, 62-64) The credit reporting agency deleted debts from Applicant's credit bureau report. The credit reporting agency did not provide a reason for their deletion action, except that it accomplished after an investigation by the reporting creditor based on information provided by Applicant. The debts at SOR 1.b, 1.c, 1.d, 1.e, 1.f, 1.l, 1.m, 1.q, 1.r, 1.s, 1.t, 1.u, 1.v, 1.w, 1.x, 1.bb,

1.cc, 1.dd, 1.gg, 1.hh, 1.ii, 1.mm, 1.nn, 1.oo, 1.pp, 1.uu, and 1.vv were deleted. (App. Ex. K, L, M, N, O, P, Q, R, U, V, W, X, Z, and CC, Credit Bureau deletion reports)

The creditor for the apartment rent debt at SOR 1.aa noted that Applicant never rented an apartment at the address and does not owe a debt to them. (Tr. 56-57; App. Ex. G, Letter, dated April 3, 2012; App. Ex. H, Letter, dated June 28, 2005)

Applicant denied the remaining debts in SOR 1.k, 1.n, 1.o, 1.p, 1.y, 1.ee, 1.ff, and 1.qq. He presented no information to show that he inquired about these debts, made any payments on the debts, or attempted to resolve the debts. These debts are still outstanding. The total delinquent debt that Applicant has not resolved includes the above debts and those previously discussed at SOR 1.g, 1.h, 1.jj, 1.kk, 1.qq, 1.rr, 1.ss, 1.tt, total in excess of \$75,000.

Applicant allegedly completed a security clearance application on July 10, 2008 in which he responded “no” to sections 27 and 28, asking if in the last seven years he had filed a bankruptcy petition, had property repossessed, had debts more than 180 days past due or presently had debts more than 90 days past due. Applicant denied completing such a security clearance application, and the case file does not contain a July 10, 2008 application. Department Counsel also did not present a July 10, 2008 security clearance application. (Tr. 26-28)

Applicant completed his latest security clearance application on August 10, 2010. In response to the financial question at section 26 of the application, he answered “no” concerning in the last seven years filing bankruptcy, repossession of property, judgments entered against him, credit cards suspended or charged off, and any debts more than 180 days past due or currently more than 90 days past due. He denied intentional falsification in response to the financial questions. He did not include the 2005 bankruptcy since he did not think it had been filed. His motorcycle was repossessed in 2005, but he claims he did not remember this information because he had memory loss from his head injury. He knew he had some debts that were not paid, but he did not believe the debts were more than 90 days past due. He did not consult his credit report before completing the application. (Tr. 30-35)

Policies

When evaluating an applicant’s suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which must be considered in evaluating an applicant’s eligibility for access to classified information.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge’s overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny of a number of variables known as the “whole-person concept.” The administrative judge must consider all available,

reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that “[a]ny doubt concerning personnel being considered for access to classified information will be resolved in favor of national security.” In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting “witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . .” The applicant has the ultimate burden of persuasion in seeking a favorable security decision.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. 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 as to potential, rather than actual, risk of compromise of classified information.

Analysis

Financial Considerations

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 and regulations, all of which can raise questions about an individual’s reliability, trustworthiness, and ability to protect classified information. An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds. (AG ¶ 18) Similarly, an individual who is financially irresponsible may also be irresponsible, unconcerned, or careless in his or her obligations to protect classified information. Behaving responsibly or irresponsibly in one aspect of life provides an indication of how a person may behave in other aspects of life. A person’s relationship with his creditors is a private matter until evidence is uncovered demonstrating an inability or unwillingness to repay debts under agreed terms. Absent evidence of strong extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a situation of risk inconsistent with the holding of a security clearance. An applicant is not required to be debt free, but is required to manage his finances in such a way as to meet his financial obligations.

Applicant presented information to establish that the credit reporting agency deleted many of the debts listed in the SOR from his credit report. Even though the credit reporting agency did not provide a detailed reason for their action, the debts have

been successfully resolved by dispute and removed from the credit report. Applicant is not responsible for them. I have not considered these debts any further and find for Applicant on the debts at SOR 1.b, 1.c, 1.d, 1.e, 1.f, 1.l, 1.m, 1.q, 1.r, 1.t, 1.u, 1.v, 1.w, 1.x, 1.bb, 1.cc, 1.dd, 1.gg, 1.hh, 1.ii, 1.mm, 1.nn, 1.oo, 1.pp, 1.uu, and 1.vv.

Applicant's remaining debts, as established in his credit report raises Financial Considerations Disqualifying Conditions AG ¶ 19(a) (inability or unwillingness to satisfy debts); and AG ¶ 19(c) (a history of not meeting financial obligations). He has not paid any of delinquent debts. The evidence indicates both an inability and an unwillingness to satisfy debt.

I considered Financial Considerations Mitigating Conditions 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); and AG ¶ 20(b) (the conditions that resulted in the financial problems were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce, or separation), and the individual acted responsibly under the circumstances). These mitigating conditions do not apply. Applicant's finances were good until he was injured in a fight in 2009. He claimed he had memory loss and mental issues that caused him not to properly manage his finances, causing him to incur delinquent debt. However, Applicant did not provide any credible information to establish that his injury and medical condition caused him to not properly manage his finances. He has not shown that his financial issues were caused by conditions beyond his control and will not likely recur.

Applicant has not shown that he acted responsibly under the circumstances to resolve the remaining debts. He only has a payment plan to pay two of the remaining debts. He did not contact creditors, and he has no credible plan to pay his other delinquent debts listed in the SOR. He failed to establish that he could not pay his delinquent debts, even though he has been employed since 2010. Some of the debts are small, and could be paid with minimal impact. He has at least \$315 in monthly discretionary funds that he has not used to pay delinquent debts. He has no plan to pay his past delinquent debts beyond a future hope he will receive additional pay and his wife will be employed. Even though his current debts are in a paid-as-agreed status, his finances are not under control because he has not taken the reasonable and necessary steps to resolve his past delinquent debts, and he does not have a reasonable plan to pay them. Applicant has not established that he acted responsibly towards his debts under the circumstances.

I considered AG ¶ 20(c) (the person has received or is receiving counseling for the problem and/or there are clear indications that the problem is being resolved or is under control). This mitigating condition partially applies. Applicant and his wife have or are receiving financial counseling from their church. However, there are no clear indications that the problem is being resolved or is under control.

I considered AG ¶ 20(d) (the individual has initiated a good-faith effort to repay the overdue creditors or otherwise resolve debts). For AG ¶ 20(d) to apply, there must

be an “ability” to repay the debts, the “desire” to repay, and “evidence” of a good-faith effort to repay. Good faith means acting in a way that shows reasonableness, prudence, honesty, and adherence to duty and obligation. A systematic method of handling debts is needed. Applicant must establish a "meaningful track record" of debt payment. A "meaningful track record" of debt payment can be established by evidence of actual debt payments or reduction of debt through payment of debts. An applicant is not required to establish that he paid each and every debt listed. All that is required is that Applicant demonstrates an established plan to resolve his financial problems and show he has taken significant actions to implement that plan.

Applicant has not shown an established plan to pay and resolve his past delinquent debts. He made little or no effort to contact some of the creditors to settle and pay his debts. He has not shown payment of any of his remaining past due debts. He has no meaningful plan to pay the debts. His only plan is a hope for a pay increase and his wife’s potential employment after completing school in the next few months. A promise to pay debts in the future when job conditions and the spouse’s financial prospects have improved is not a good-faith action showing reasonableness, prudence, honesty, and adherence to duty and obligation. His lack of a meaningful track record of paying delinquent debts shows he has not been reasonable and prudent in adhering to his financial obligations. His past delinquent debts reflect adversely on his trustworthiness, honesty, and good judgment.

I also considered 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 disputed many of his debts with the credit reporting agency presumably based on identity theft. His dispute was successful as to many of the debts, and removed from his credit report. Based on all of the financial information available to include the information provided by Applicant, I conclude that Applicant has not mitigated security concerns based on financial considerations.

Personal Conduct

A security concern is raised for personal conduct based on Applicant's responses to financial questions on his e-QIP. Personal conduct is a security concern because conduct involving questionable judgment, untrustworthiness, unreliability, or unwillingness to comply with rules and regulations can raise questions about an individual’s reliability, trustworthiness, and ability to protect classified and sensitive information. Of special interest is any failure to provide truthful and candid answers during the process to determine eligibility for access to classified information or any other failure to cooperate with this process (AG ¶ 15). Personal conduct is always a security concern because it asks whether the person’s past conduct justifies confidence the person can be trusted to properly safeguard classified or sensitive information. Authorization to hold a security clearance position depends on the individual providing correct and accurate information. If a person conceals or provides false information, the security clearance process cannot function properly to ensure that granting access to classified or sensitive information is in the best interest of the United States Government.

I have not considered a July 11, 2008, security clearance application because there is no evidence to establish such an application was completed by Applicant. I find for Applicant as to SOR 2.a and 2.b.

I have considered Applicant's responses to financial questions on his August 10, 2010, security clearance application. Applicant answered "no" to all financial questions. He filed a bankruptcy in 2005, and admitted repossession in 2005. In his response to the SOR, and his testimony, he acknowledged he may have some debts that were over 180 days past due or currently over 90 days past due. His failure to acknowledge these financial problems raise a security concern under Personal Conduct Disqualifying Condition AG ¶ 16(a) (the deliberate omission concealment, or falsification of relevant and material facts from any personnel security questionnaire, personal history, or similar form used to conduct investigations, to determine security eligibility or trustworthiness).

Applicant denied an intentional falsification for the incorrect or missing material information on the application. While there is a security concern for an omission, concealment, or falsification of a material fact in any written document or oral statement to the Government when applying for a security clearance, not every omission, concealment, or inaccurate statement is a falsification. A falsification must be deliberate and material. It is deliberate if it is done knowingly and willfully with intent to deceive. Applicant is a security officer. He knows the need to be truth, honest, and open in the security clearance process. When he completed the security clearance application in 2010, he knew the 2005 bankruptcy had been started since he paid his attorney. I do not find his testimony that he did not include the bankruptcy in his application because it was not filed as credible. I also find his claim of not remembering the repossession or other debts because of memory loss as not credible. He presented no information or medical evidence to establish he had a memory loss. I find that he deliberately provided false information on his security clearance application with intent to hide his financial problems. I find against Applicant as to SOR 2.c.

Whole-Person Analysis

Under the whole-person concept, the administrative judge must evaluate an applicant's security eligibility 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(a):

- (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.

Under AG ¶ 2(c), the ultimate determination of whether to grant a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I considered that the bankruptcy filed in 2005 is a legal and permissible means of resolving debt, and that the filing did not create a security concern. I considered that many of the debts in the SOR have been resolved by dispute and deleted from Applicant's credit report. I also considered that there is remaining debt in excess of \$75,000. Applicant has not been responsible towards the remaining debts. He has not been in contact with the creditors to resolve or settle the debts. He has not paid any of these delinquent debts. Applicant has not established a good-faith effort to pay or resolve his remaining delinquent debts. An intention to resolve debts in the future based on more income and his wife's potential employment is not a good-faith effort to resolve financial issues. Applicant's lack of effort to pay and resolve his remaining past financial obligations indicates that he may not be concerned, responsible, and careful regarding classified information. In addition, I considered that Applicant was not truthful in answering financial question on his security clearance application. He omitted financial problems with the intent to mislead security adjudicators concerning his finances. Overall, the record evidence leaves me with questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude that Applicant has not mitigated security concerns arising from finances and personal conduct. His access to classified information is denied.

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.f:	For Applicant
Subparagraphs 1.g- 1.h:	Against Applicant
Subparagraphs 1.i – 1.j:	For Applicant
Subparagraph 1.k:	Against Applicant
Subparagraphs 1.l and 1.m:	For Applicant
Subparagraphs 1.n – 1.p:	Against Applicant
Subparagraphs 1.q – 1.x:	For Applicant
Subparagraph 1.y:	Against Applicant

Subparagraphs 1.z – 1.dd:	For Applicant
Subparagraphs 1.ee and 1.ff:	Against Applicant
Subparagraphs 1.gg – 1.ii:	For Applicant
Subparagraphs 1.jj – 1.kk:	Against Applicant
Subparagraphs 1.ll – 1.pp:	For Applicant
Subparagraphs 1.qq – 1.tt:	Against Applicant
Subparagraphs 1.uu – 1.vv:	For Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraphs 2.a – 2.b:	For Applicant
Subparagraph 2.c:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

 THOMAS M. CREAN
 Administrative Judge