



**DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS and APPEALS**



In the matter of:)	
)	
)	ISCR Case No. 12-02381
)	
Applicant for Security Clearance)	

Appearances

For Government: Braden M. Murphy, Esq., Department Counsel
For Applicant: *Pro se*

03/14/2014

Decision

HEINY, Claude R., Administrative Judge:

Applicant contests the Department of Defense’s (DoD) intent to deny his eligibility for a security clearance to work in the defense industry. A judgment, debts following two vehicle repossessions, collection accounts, and charged-off accounts alleged in the Statement of Reasons (SOR), have not been resolved. Clearance is denied.

History of the Case

Acting under the relevant Executive Order and DoD Directive,¹ on July 11, 2013, the DoD issued an SOR detailing security concerns. DoD adjudicators could not find that it is clearly consistent with the national interest to grant or continue Applicant’s security clearance. On August 7, 2013, Applicant answered the SOR and requested a hearing. On October 11, 2013, I was assigned the case. On December 31, 2013, the Defense Office of Hearings and Appeals (DOHA) issued a Notice of Hearing for the

¹ Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DoD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective within the DoD on September 1, 2006.

hearing convened on January 17, 2014. I admitted Government's Exhibits (Ex) 1 through 5 and Applicant's Exhibits A through I, without objection. The record was held open to allow Applicant to submit additional information. Additional material (Ex. J through M) was submitted and admitted into the record without objection. On January 28, 2014, DOHA received the hearing transcript (Tr.).

Findings of Fact

In Applicant's Answer to the SOR, he admitted seven debts totaling approximately \$27,000. He denies 15 debts, which total approximately \$26,000 and was unsure about a debt of approximately \$500. At the hearing, he stated he had more debt than reflected in the SOR. He stated he owed \$77,052. (Tr. 58) I incorporate Applicant's admissions as facts. After a thorough review of the pleadings, exhibits, and testimony, I make the following additional findings of fact:

Applicant is a 47-year-old who rebuilds range targets and has worked for a defense contractor since November 2010. (Tr. 37) He is seeking to obtain a security clearance. (Tr. 5) He served in the U.S. Army from July 1998 through January 2008 when he was honorably discharged at the grade of staff sergeant (E-6). (Ex. G, Tr. 64) He served in Iraq from November 2005 through November 2006. While in Iraq, two Soldiers in his unit were killed. (Tr. 41) He also served in Korea. (Tr. 38) During his service, he received four Army Commendation Medals, an Army Achievement Medal, and three Army Good Conduct Medals, in addition to other medals, ribbons, and awards. (Ex. G)

In January 2008, Applicant was medically discharged. His posttraumatic stress disorder (PTSD) with traumatic brain injury is rated as a 50% disability, his headaches which were a residual of traumatic brain injury were rated at 10%, and his right knee osteoarthritis was rated at 10%. (Ex. H, Tr. 40) His overall combined rating is 60%.² As of November 2013, he receives approximately \$1,000 per month entitlement from the Department of Veterans Affairs (VA). (Ex. H) The month prior the hearing, he received his first payment and back pay, which together amounted to \$13,000. (Tr. 66)

Applicant called no witnesses other than himself. A coworker stated Applicant is respectful, has a positive attitude, is punctual, and is "an employee worth keeping." (Ex. D) His supervisor states Applicant is reliable, conscientious, and has a positive work ethic. (Ex. E) Applicant is willing to tackle new and challenging assignments and is ideally suited for his position. (Ex. E)

In May 2013, Applicant completed a Personal Financial Statement (PFS) (Ex. 2) which indicated his monthly net income was approximately \$3,200, his monthly expenses were approximately \$1,750, and he was paying \$375 on his debts, which left a monthly net remainder of approximately \$1,100. (Ex. 2) He has since stopped making the \$375 monthly payments. (Tr. 85) In December 2013, Applicant's take-home pay was approximately \$1,000 every two weeks. (Ex. I) He has \$4,550 in his 401(k) retirement

² The Department of Veterans Affairs does not add individual percentages of each condition to determine the overall combined rating for compensation purposes. (Ex. H)

fund. (Ex. J, Tr. 61) He had \$500 in his checking account and \$13,000 in savings, which represented back pay from the Department of Veterans Affairs. (Tr. 77) At the hearing he stated he was paid \$15.83 per hour and took home approximately \$892 every two weeks. (Tr. 59) His wife is a certified nursing assistant with \$1,400 monthly income. (Tr. 59) He estimates his monthly net remainder at \$500. (Tr. 61) Other than two \$300 payments on a judgment (SOR 1.a) and two other \$75 payments, he has made no payments on his delinquent accounts. (Tr. 54) In 2013, he earned \$30,600. (Tr. 81) He stated, "there's no excuse. I mean, just irresponsibility on my part, for not making sure those bills are getting paid." (Tr. 42)

In February 2003, when Applicant was still in the Army, a tax lien was filed against Applicant and his wife. His wife had started a small business and when she failed to have sufficient tax withheld the tax lien was filed. Funds were taken from his Army pay to address the tax bill. (Tr. 2) The tax lien was paid and satisfied in November 2004. (Ex. 5)

In September 2010, Applicant answered questions about his finances in a personal subject interview (PSI). At that time, his net monthly income (income less monthly expenses and debt payment) was between \$1,000 and \$2,200 depending on where he was working. (Ex. 2) It was his goal to have all of his delinquent debt paid by 2015. (Ex. 2) The record contains credit reports from September 2010 (Ex. 5), December 2011 (Ex. 4), and April 2013 (Ex. 3)

In May 2013, Applicant answered written financial interrogatories. (Ex. 2) In his PFS he indicated he was making \$300 monthly payments on the charged-off account in SOR 1.k (\$10,933) and \$75 monthly payments on the \$2,919 charged-off account listed in SOR 1.m (\$2,919). With the two monthly debt payments, his monthly net remainder was \$375. (Ex. 2) He failed to provide documentation showing actual payment on these debts.

While on active duty, Applicant had a number of debts being automatically deducted from his pay. In January 2008, when he left the U.S. Army, the payments stopped. (Tr. 42) In May 2008, a judgment (SOR 1.a, \$1,621) was obtained against Applicant. (Ex. 5) He had financed the purchase of tires and rims. When the automatic monthly payment stopped the creditor obtained a judgment. (Ex. 2) In his September 2010 PSI, he said he was working to pay this judgment. He asserts he worked out a repayment arrangement in November 2013 and made payments of \$103 on the account that has now increased to \$3,542. (Tr. 43) He mailed the payments to city hall. (Tr. 46) No documentation showing payment was received in the record.

In July 2010, while in the Army, Applicant purchased a vehicle. After transferring to another state, the vehicle was destroyed in an accident. (Ex. 2) Applicant believed his insurance should have covered the loan. The lender states \$16,798 is in collection. In his September 2010 PSI, he said he would look into this debt to determine if he owed any money on the vehicle loan. (Ex. 2)

Applicant indicated that in March 2010 or April 2010, he started working with a debt consolidation agency to take care of his debts and clean up his credit. (Ex. 2) As of

his September 2010 PSI, he had made two payments of \$375 each to the company. At some point, he stopped making payments and stopped working with this company. When he left the Army, he cancelled his cable service, but failed to return the cable company's equipment. The company lists the \$1,472 (SOR 1.p) as a collection account. In his September 2010 PSI, he states he returned the equipment in 2008, and does not owe this debt. In his SOR response, he states this matter should have been resolved in 2012. (SOR Response)

In October 2009, Applicant took out a title loan (SOR 1.r, \$531) on his vehicle. He does not believe he owes any debt. In his SOR response, he neither admitted nor denied the collection account. In May 2010 or June 2010, he had the creditor repossess the vehicle. (Ex. 2)

Applicant had four medical accounts that went to collection: \$200 (SOR 1.d), \$318 (SOR 1.s), \$500 (SOR 1.t), and \$200 (SOR 1.u). In September 2010, he stated he believed he had health insurance that should have paid these debts. (Ex. 2, Tr. 48) He was going to investigate the collection accounts. A \$200 medical collection account (1.u) has been removed from his credit reports. (Ex. K) It is uncertain if the medical debt listed in SOR 1.d (\$200) and SOR 1.u (\$200) are the same obligation.

Applicant had four loans with a creditor. He paid three of the loans and the fourth (SOR 1.i, \$1,482) was charged off. (Ex. 2) This account was opened in August 2007. (Ex. 3, 4, 5) Automatic monthly payments stopped when he left the U.S. Army. (Tr. 50) He obtained a number of loans with another creditor, but believes all of them were paid before he left the service. Applicant asserted he had documentation showing a zero balance on this debt. It was suggested he could submit that documentation following the hearing. (Tr. 51) No documentation was received.

A creditor placed a \$4,597 account (SOR 1.j) for collection. (Ex. 2) This account was removed from his credit reports. (Ex. K) At the hearing, he asserted he had documents related to this debt. It was again suggested that he submit documentation following the hearing and again no documentation was received. (Tr. 52)

Applicant admits owing the collection account listed in SOR 1.v (\$180). (SOR Response) He had a car loan with the creditor listed in SOR 1.n (\$448). His monthly payments were \$400, but he was one or two months late on the payments. In his September 2010 PSI, he was unsure about this debt. (Ex. 2) The debt has now been deleted from his credit report. (Ex. M)

In December 2009, Applicant placed his electrical utility service in his son's name when his son moved in to take over his lease. When the first electrical bill arrived, it was large (SOR 1.h, \$2,365) because his son had an unpaid utility bill from his previous location. The utility company is demanding payment from Applicant because the electrical service was in his name when the lease and the electrical service started. (Ex. 2) In 2009, Applicant purchased a washer and dryer. Payments were automatically deducted from his pay. When he left the Army, the payments stopped. The creditor charged off \$2,919 (SOR 1.m). Applicant was unhappy with his cell phone provider (SOR 1.w, \$389) and does not intend to pay the collection account. (Ex. 2)

In August 2011, Applicant purchased a vehicle for his youngest daughter with monthly payments of \$427. (Ex. 4, Tr. 16) When his daughter lost her job, she was no longer able to make the monthly payments and the vehicle was repossessed (SOR 1.k, \$10,933) In his May 2013 PFS he asserted he was making \$300 monthly payments on the debt. (Ex. 2)

Applicant submitted a single page, undated letter (Ex. B) from a law firm³ stating what services the firm would provide if Applicant became their client. A copy of the entire agreement was not presented. The firm was to obtain his credit reports, and send challenges to the creditors listed on the credit report in an attempt have the accounts removed or deleted from his credit report, thereby, improving his credit score. (Ex. B) Applicant states he is paying the firm \$95 monthly. (Tr. 58) A number of collection accounts have been deleted or removed from his credit reports and “additional information”⁴ was supplied on other accounts. (Ex. F, K, M) Additionally, a number of accounts not listed in the SOR have also been removed or deleted from his credit reports. (Ex. A, F, K) He hoped that within 30 days of the hearing, the law firm would tell him which creditors he owed and how much is owed to each. (Tr. 75)

In August 2013, Applicant filed a theft report with the local police department. (Ex. L) The single page submitted provides little information other than it was a misdemeanor theft of \$200 currency. (Ex. L) He stated he had been “scammed” by a company that charged him \$250 to assist him with his finances for which he received no services. (Tr. 42, 98)

Applicant drives a 2000 vehicle purchased in 2009 for \$4,000. (Tr. 79) His wife has a 2003 vehicle. He has three children ages 21, 23, and 25. (Tr. 83) Two of his children live with him.

A summary of Applicant’s judgment, charged-off and collection accounts, and other unpaid obligations and their current status follows:

	Creditor	Amount	Current Status
a	Judgment filed in May 2008. (Ex. 3, 4, 5) The delinquent debt is now \$3,542. (Tr. 43)	\$1,621	Unpaid. Applicant admits owing the debt. (Tr. 72) He asserted the account manager had agreed to accept \$100 monthly payments starting in November 2013. (Ex. A, Tr. 43) No documented evidence of payment was received.
b	Collection account. (Ex. 3, 4)	\$345	Unpaid.

³ This was a different debt assistance service then Applicant had hired in 2010.

⁴ Applicant acknowledged that he had submitted only page one of a report (Ex. F) that contained 16 more pages. (Tr. 34) He indicated that the entire report would be submitted after the hearing. A copy of the full report was not received.

	Creditor	Amount	Current Status
c	Collection account. (Ex. 3,4)	\$1,440	Unpaid. In his answer, Applicant denied this debt.
d	Medical account debt. (Ex. 3, 4, 5)	\$200	Unpaid. This may or may not be the same \$200 medical bill reflected in SOR 1. u below, which was removed from his credit reports. (Ex. F)
e	Collection account. (Ex. 3)	\$1,531	Removed from Applicant's credit report. (Ex. F) In his answer, Applicant denied this debt.
f	Collection account. (Ex. 3)	\$4,794	Unpaid. In his answer, Applicant denied this debt.
g	Collection account. (Ex. 3)	\$389	Unpaid. In his answer, Applicant denied this debt.
h	Utility collection account. (Ex. 3, 4) His son took over his lease.(Ex. 2, 5)	\$2,365	Unpaid. In November 2013, he had contacted the creditor and was attempting to establish a repayment agreement. (Ex. A) No payments made.
i	Charged-off account. (Ex. 3, 4)	\$1,482	Admits. Unpaid. Credit report reflects a zero balance with \$1,482 having been charged off. (Ex. 3)
j	Collection account. (Ex. 3, 4, 5)	\$4,597	This account was removed from his credit report. (Ex. K)
k	Debt from repossessed pickup truck in 2012. (Ex. 3, 4, Tr. 53)	\$10,933	Unpaid. Applicant acknowledged the debt and asserted he had made \$300 monthly payments, but stopped making payments. (Ex. 2, Tr. 55)
l	Debt from repossessed vehicle.	\$12,134	Unpaid. Applicant co-signed on vehicle loan for his daughter. (Ex. 3) The vehicle was repossessed when his daughter lost her job. (Tr. 54)
m	Charged-off account for tires and rims. (Ex. 3, 4, 5)	\$2,919	Duplicate debt. Applicant asserts he is paying \$75 monthly on this debt, but failed to provide documentation showing payment. (Ex. 2) This is the same debt as SOR 1.a above.
n	Charged-off account. (Ex. 4, 5)	\$448	Account deleted from Applicant's credit reports. (Ex. M)

	Creditor	Amount	Current Status
o	Collection account. The account had been closed, charged off, and transferred to a collection agency. (Ex. 5)	\$3,553	Applicant's September 2009 CBR lists a zero balance on this account. (Ex. 5) Account removed from Applicant's credit reports. (Ex. C, Ex. K)
p	Cable service collection account. Account opened January 2008. (Ex. 5)	\$1,472	Unpaid. Applicant contacted the creditor and was informed the location given was a city where he never lived. (Ex. A) He asserts he returned the cable company's equipment in 2000. In his answer, Applicant denied this debt.
q	Collection account for telephone service.(Ex. 4)	\$1,531	Unpaid.
r	Collection account. (Ex. 5)	\$531	Unpaid.
s	Medical collection account. (Ex. 3, 4, 5)	\$318	Unpaid. In his answer, Applicant denied this debt.
t	Medical collection account. (Ex. 3, 4, 5)	\$500	Unpaid.
u	Medical collection collection account. (Ex. 3, 4)	\$200	Removed from Applicant's credit report. (Ex. F)
v	Collection account. (Ex 5)	\$180	Unpaid. Applicant asserts this delinquent debt was paid, but failed to provide supporting documentation. (Tr. 55)
w	Telephone company collection account. (Ex. 5)	\$389	Unpaid. Applicant obtained telephone service in September 2010, but was unhappy with the service. (Tr. 56)
	Total debt listed in SOR	\$53,872	

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 interests of 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 to obtain 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 the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order (EO) 10865 provides that decisions shall be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." See *a/so* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

Analysis

Guideline F, Financial Considerations

Adjudicative Guideline (AG) ¶ 18 articulates the security concerns relating to financial problems:

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.

Additionally, an individual who is financially irresponsible may also be irresponsible, unconcerned, negligent, or careless in properly handling and safeguarding 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 as agreed. Absent substantial evidence of extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a position of risk that is inconsistent with holding a security clearance. An applicant is not required to be debt free, but is required to manage his finances to meet his financial obligations.

Applicant has a long history of financial problems. The unpaid judgment was filed more than five years ago, in May 2008. He admitted seven debts totaling approximately \$27,000 and at the hearing stated his delinquent debt was \$77,052. (Tr. 58) The debts include two vehicle repossessions. Disqualifying Conditions AG ¶ 19(a), "inability or unwillingness to satisfy debts" and AG ¶ 19(c), "a history of not meeting financial obligations," apply.

Five Financial Considerations Mitigating Conditions under AG ¶ 20 are potentially applicable:

- (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;
- (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, or a death, divorce or separation), and the individual acted responsibly under the circumstances;
- (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;
- (d) the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts; and
- (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 does not fully meet any of the mitigating factors for financial considerations. Some of Applicant's delinquent accounts go back to January 2008, when he left the U.S. Army and his automatic payments on some of these debts ended. In September 2010, he was interviewed about his delinquent debts. In May 2013, he

answered written financial interrogatories. In September 2013, he received the SOR listing the financial consideration security concerns. It was not until November 2013, that he obtained a law firm to assist him with his delinquent accounts. He is waiting for the firm to tell him which creditors he owes and how much. Applicant's financial difficulties are both recent and multiple. He produced no evidence of circumstances beyond his control, and he has not acted responsibly in addressing his debts. He has not demonstrated that his financial problems are under control, or that he has a plan to bring them under control. He has not made a good-faith effort to satisfy his debts.

Applicant has known of the Government's concern about his delinquent accounts since at least September 2010. In the three and a half years since being interviewed, he made a couple of \$300 payments and maybe a couple of \$75 payments. Otherwise, he has paid nothing on his delinquent accounts. His handling of his finances, under the circumstances, casts doubt on his current reliability, trustworthiness, or good judgment. AG ¶ 20(a) does not apply. His ability to repay his debts was not due to factors beyond his control. He received a medical discharge from the U.S. Army, but experienced no periods of unemployment thereafter. He has been working for his current employer since November 2010. AG ¶ 20(b) does not apply.

Applicant has received no financial counseling and there is no indication his financial problems are under control or being resolved. AG ¶ 20(c) does not apply. The mitigating condition listed in AG ¶ 20(d) does not apply. Even though he has known of the Government's concern about his finances since September 2010, his payments on his delinquent obligations have been minimal. Through the services of a law firm, some of his delinquent accounts have been removed or deleted from his credit reports, but this was not through payment of the debts. No repayment plans have been reached. Applicant has failed to act aggressively, timely, or responsibly to resolve his delinquent debts.

The mitigating condition listed in AG ¶ 20(e) does not apply. Applicant stated he was unhappy with the telephone service he received from the creditor in SOR 1.w (\$389), but provided no documented proof to substantiate the basis of his dispute with that creditor.

Whole-Person Concept

Under the whole-person concept, the 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. The 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 eligibility for 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. There is some evidence in favor of mitigation Applicant and his wife are not living beyond their means. He drives a 2000 vehicle and his wife drives a 2004. He honorably served in combat in the U.S. Army where injuries resulted in a medical discharge. He is currently rated by the VA as 60% disabled. It is noted he has limited income, an annual salary of \$30,000, with which to address his debts.

The disqualifying evidence under the whole-person concept is more substantial. It has been more than three years since Applicant become aware of the Government concerns over his finances. It was not until after receiving the SOR that he sought financial assistance. He is still waiting for the law firm to tell him who to pay. He acknowledged it was irresponsibility on his part, for not making sure those bills were being paid. His long-standing failure to repay his creditors, at least in reasonable amounts, or to arrange payment plans, reflects traits which raise concerns about his fitness to hold a security clearance.

An applicant is not required to establish that he has paid off each and every debt listed in the SOR. All that is required is for him to demonstrate he has established a plan to resolve his delinquent debt and has taken significant action to implement that plan. I must reasonably consider the entirety of Applicant's financial situation and his actions in evaluating the extent to which that plan is credible and realistic. There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan may provide for payment on such debts one at a time. Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

The issue is not simply whether all Applicant's debts have been paid – they have not – it is whether his financial circumstances raise concerns about his fitness to hold a security clearance. (See AG ¶ 2(a)(1).) Applicant would like to pay his delinquent debt. However, the delinquent debts are not being paid. Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant has not mitigated the security concerns arising from his financial considerations.

This decision should not be construed as a determination that Applicant cannot or will not attain the state of true reform and rehabilitation necessary to justify the award of a security clearance. The awarding of a security clearance is not a once in a lifetime occurrence, but is based on applying the factors, both disqualifying and mitigating, to the evidence presented. Under Applicant's current circumstances, a clearance is not recommended. In the future, if Applicant has paid his delinquent obligations, established

compliance with a repayment plan, or otherwise substantially addressed his past-due obligations, he may well demonstrate persuasive evidence of his security worthiness. However, a clearance at this time is not warranted.

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, Financial Considerations: AGAINST APPLICANT

Subparagraphs 1.a – 1.d:	Against Applicant
Subparagraph 1.e:	For Applicant
Subparagraphs 1.f – 1.i:	Against Applicant
Subparagraph 1.j:	For Applicant
Subparagraphs 1.k – 1.m:	Against Applicant
Subparagraphs 1.n and 1.o:	For Applicant
Subparagraph 1.p:	Against Applicant
Subparagraph 1.q:	For Applicant
Subparagraphs 1.r – 1.t:	Against Applicant
Subparagraph 1.u:	For Applicant
Subparagraphs 1.v and 1.w:	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 a security clearance. Eligibility for access to classified information is denied.

CLAUDE R. HEINY II
Administrative Judge