



**DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:

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ISCR Case No. 15-02808

Applicant for Security Clearance

Appearances

For Government: Benjamin R. Dorsey, Esq., Department Counsel
For Applicant: *Pro se*

12/06/2016

Decision

RIVERA, Juan J., Administrative Judge:

Applicant's evidence is insufficient to mitigate the financial considerations concerns raised by his eight delinquent debts totaling \$57,402, and his failure to timely file his tax returns. He failed to establish a track record of financial responsibility. Access to classified information is denied.

History of the Case

Applicant submitted a security clearance application (SCA) on June 30, 2014. After reviewing it and the information gathered during a background investigation, the Department of Defense (DOD) was unable to make an affirmative decision to grant Applicant eligibility for a clearance. On October 26, 2015, the DOD issued Applicant a Statement of Reasons (SOR) alleging security concerns under Guideline F (financial considerations).¹ Applicant answered the SOR on November 30, 2015 (Answer), and requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA).

¹ The DOD acted under Executive Order 10865, *Safeguarding Classified Information Within Industry* (February 20, 1960), as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive) (January 2, 1992), as amended; and the *Adjudicative Guidelines for Determining Eligibility for Access to Classified Information* (AG), implemented by the DOD on September 1, 2006.

The case was assigned to me on April 13, 2016. DOHA issued a notice of hearing on April 21, 2016, scheduling the hearing for May 23, 2016. Applicant's hearing was held as scheduled; however, Applicant requested and received a delay because he was not prepared for his hearing and was considering hiring counsel. On May 24, 2016, DOHA issued a notice of hearing, setting the hearing for June 22, 2016. The hearing was held as scheduled. Government exhibits (GE) 1 through 3, and Applicant's exhibits (AE) 1 through 6 were admitted into evidence without objection. On June 1, 2016, DOHA received the transcript of the first hearing, and on June 30, 2016, DOHA received the transcript of the second hearing.

Findings of Fact

In Applicant's SOR response, he admitted the SOR allegations in ¶¶ 1.a through 1.h; he denied the allegation in SOR ¶ 1.i; and he partially admitted the allegation in SOR ¶ 1.j. He also provided extenuating and mitigating information, and disputed the total debt owed on some of his delinquent accounts. Applicant's admissions are hereby incorporated into my findings of fact.

Applicant is 56 years old, and he has worked as a security supervisor for a federal contractor since 2014. Applicant married in 1999 and divorced in 2005. His daughter is 29 years old, and his son is 30 years old. Applicant graduated from high school in 1978, and he has taken a few college classes through the years.

Between 1987 and 2007, Applicant worked as a postal clerk for the U.S. Navy. He held a security clearance during that period. He also believes he held a security clearance around 1977, when he worked in the mailroom for another federal agency. In 2004, Applicant started to work part-time as a security officer. In 2005, while employed as a Navy postal clerk, Applicant was injured in a vehicle accident. He testified that the Navy could not accommodate him on a "light duty" position, stopped paying him in 2006, and he was let go in 2007. Applicant averred this was the start of his financial problems. Afterwards, he was unable to continue making payments to the IRS and other creditors, and he never recovered his financial footing.

After leaving his postal clerk job, Applicant worked, initially part-time and then full-time, as a security officer from 2007 until 2009, when he resigned his security job. Applicant was unemployed between 2009 and 2011. For about two years, he worked security part time at a mall. In 2011, he resumed working full time in security, and in 2014, he started working full time for two security companies, including his current employer.

In response to Section 26 (Financial Record) of his 2014 SCA, Applicant disclosed that during the last seven years he had financial problems including his failure to file and pay his state taxes for tax years 2010, 2011, and 2013. He also claimed that before 2007, both he and his wife claimed their children as dependents, which caused him to acquire a debt with his state and the IRS. He further claimed he was making payments to the IRS, and when he lost his job he had to stop making payments. He also averred that in 2013, his employer took taxes for the wrong state which caused him a deficiency. Applicant

stated he was seeking financial counseling and considering retaining a lawyer to file for bankruptcy protection.

Additionally, Applicant disclosed he had other judgments filed against him; that he owed money to the federal Government and had been paying through a deduction of wages since 2011; and that he had many other delinquent accounts.

Applicant's security investigation addressed his financial problems and revealed the SOR debts, which include nine delinquent debts totaling \$57,402, comprised of unpaid judgments, tax liens, accounts in collection, and unfiled income tax returns. Applicant's history of delinquent debt is documented in his credit reports, his SOR response, his testimony, and the record evidence. The status of his SOR debts is as follows:

SOR ¶ 1.a alleges a judgment filed in 2011 against Applicant by an apartment complex for \$2,046. Applicant admitted he owed a debt to the creditor; however, he believed it was for a lesser amount. He said he was going to "fight" the debt; however, he did not provide details. He did not pay the debt.

SOR ¶¶ 1.b and 1.d allege a state tax lien filed in 2007 for \$14,506 and a state tax lien filed in 2004 for \$5,157. Applicant said the debts were caused by his failure to declare the income from his part-time employment for a state tax entity (M); however, he also stated that taxes were being withheld for another state-level tax authority (W) for a few years. Applicant said state M's tax liens relate to back taxes owed for tax years 2004 through 2007; however, the 2007 tax lien was most likely from tax year 2004, and the 2004 tax lien was probably for an earlier year. Applicant has not contacted the state tax authority or paid anything toward the debts. (Tr. 42, 44) His SCA shows he lived in state M from March 2002 to April 2013, and then he moved to tax jurisdiction W. (SCA)

SOR ¶ 1.c alleges a federal tax lien filed in 2007 for \$15,803. Applicant said he was making payments on it until he lost his Navy postal employment in 2007. He thought this federal tax lien might be for tax years 2004 through 2007. He has not contacted the IRS about paying this debt. (Tr. 43, 44)

SOR ¶ 1.e alleges a state debt placed for collection for \$9,260. Applicant admitted the debt and said it originated in 2004. (SOR response) Applicant did not remember the basis of the debt; however, he was certain that he had not made any payments to address it. (Tr. 45)

SOR ¶ 1.f alleges an apartment lease-related debt placed for collection for \$8,880. Applicant admitted a debt owed to the creditor; however, he said the amount of the debt was incorrect. Applicant said he "went to court with them a couple of times;" however "they never considered the payments being made." He said the debt was "a false debt," and he did not pay the debt. (Tr. 46-47)

SOR ¶ 1.g alleges a credit union debt placed for collection for \$954. Applicant admitted responsibility for the debt, and he claimed payments were being made when he

worked for Navy postal until 2007. He has not contacted the creditor or made payments since 2007. (Tr. 47)

SOR ¶ 1.h alleges a telecommunications debt placed for collection for \$707. Applicant admitted he breached his contract; however, he disputed his responsibility for the debt. He said the creditor attempted to overcharge him; he refused to pay the charges; and he informed the creditor over the telephone that he disputed the debt. He did not have documentary evidence that he disputed the debt. (Tr. 48-50)

SOR ¶ 1.i alleges a debt placed for collection for \$89. Applicant did not recognize this debt. Applicant's July 11, 2014 credit report indicates a medical debt originating in 2012; a balance owed of \$89 as of October 2012; and the debt is assigned to a collection agent. (GE 2 at 7) Applicant's June 3, 2015 credit report shows an \$89 medical debt; the account was opened in 2012; and there is no past due amount indicated. (GE 3 at 2)

SOR ¶ 1.j alleges Applicant failed to file his state (M) tax returns for 2010, 2011, and 2013. Applicant admitted he did not file his 2010 and 2011 tax returns; however, he did not admit that he failed to file his 2013 state tax return. He said he did not file his state tax returns because he needed to get evidence that he paid taxes to another state-level jurisdiction (W). Applicant said he did not file a state tax return for 2009, and he did not remember whether he filed a state tax return for 2008 or 2014. (Tr. 51)

Applicant considered filing for bankruptcy;² however, he elected not to do so. He has not had financial counseling. After he completes financial counseling, he intends to consolidate his debts. He intends to pay his debts and resolve his tax issues.

The SOR does not allege Applicant failed to timely file his federal income tax returns, or that he failed to timely pay his federal income taxes.³ The following table summarizes the federal income tax filing dates and the refund or amount owed:

² On May 21, 2016, Applicant's bankruptcy attorney wrote that Applicant retained him to file for bankruptcy. (AE 7)

³ Applicant's SOR does not allege that he did not timely file his federal tax returns for tax years 2009 through 2011, and 2013. In ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006), the Appeal Board listed five circumstances in which conduct not alleged in an SOR may be considered stating:

(a) to assess an applicant's credibility; (b) to evaluate an applicant's evidence of extenuation, mitigation, or changed circumstances; (c) to consider whether an applicant has demonstrated successful rehabilitation; (d) to decide whether a particular provision of the Adjudicative Guidelines is applicable; or (e) to provide evidence for whole person analysis under Directive Section 6.3.

Id. (citing ISCR Case No. 02-07218 at 3 (App. Bd. Mar. 15, 2004); ISCR Case No. 00-0633 at 3 (App. Bd. Oct. 24, 2003)). *See also* ISCR Case No. 12-09719 at 3 (App. Bd. April 6, 2016) (citing ISCR Case No. 14-00151 at 3, n. 1 (App. Bd. Sept. 12, 2014); ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006)). Consideration of his failure to timely file federal income tax returns will not be considered except for the five purposes listed above.

Tax Year	Date Federal Tax Return Signed ⁴	Adjusted Gross Income	Refund Or Owed	Citation
2009	May 14, 2016	\$30,590	Owed: \$930	Tr. 31; AE 1
2010	May 14, 2016	\$4,463	\$0	Tr. 31; AE 2
2011	May 14, 2016	\$19,605	Refund: \$1,257	Tr. 31; AE 3
2012	Not Provided			
2013	May 14, 2016	\$25,402	Refund: \$1,167	Tr. 31-32; AE 4
2014	Not Provided			
2015	May 14, 2016	\$63,125	Refund: \$1,050	Tr. 31-32; AE 5

When asked why he failed to timely file his income tax returns Applicant testified he did not have any good excuse to justify it.

Applicant's annual pay from his day security employment is about \$37,000, and his annual pay from his night security employment is about \$24,000. Applicant's monthly remainder after paying his debts and expenses is about \$600 to \$1,000. In October 2015, Applicant purchased a used 2014 Jeep Wrangler. He does not own any real estate, investments, or a retirement account, and he does not have any funds in his savings account. (Tr. 34-36) Applicant said he was unaware of his delinquent debts until he received a credit report in 2014. He denied that he received notices that he was late on his taxes or failed to file tax returns.

The chief of operations for Applicant's employer said Applicant has been an exemplary employer since January 2014. There is "no indication that [Applicant] lacks sound judgment or decision making abilities." (AE 6)

Policies

Eligibility for access to classified information may be granted "only upon a finding that it is clearly consistent with the national interest to do so." Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended. The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security, emphasizing that "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988).

The AG list disqualifying and mitigating conditions for evaluating a person's suitability for access to classified information. Any one disqualifying or mitigating condition is not, by itself, conclusive. However, the AG should be followed where a case can be

⁴ The federal income tax returns Applicant provided for tax years 2009, 2010, and 2011 did not include Applicant's social security number. (AE 1, 2, 3) The Internal Revenue Service usually rejects tax returns filed without social security numbers. It is unclear whether Applicant had W-2 forms to send to the IRS to document his income.

measured against them, as they represent policy guidance governing access to classified information. Each decision must reflect a fair, impartial, and commonsense consideration of the whole person and the factors listed in AG ¶ 2(a). All available, reliable information about the person, past and present, favorable and unfavorable, must be considered.

Security clearance decisions resolve whether it is clearly consistent with the national interest to grant or continue an applicant's security clearance. The Government must prove, by substantial evidence, controverted facts alleged in the SOR. If it does, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. The applicant bears the heavy burden of demonstrating that it is clearly consistent with the national interest to grant or continue his or her security clearance.

Persons with access to classified information enter into a fiduciary relationship with the Government based on trust and confidence. Thus, the Government has a compelling interest in ensuring each applicant possesses the requisite judgment, reliability, and trustworthiness of those who must protect national interest as their own. The "clearly consistent with the national interest" standard compels resolution of any reasonable doubt about an applicant's suitability for access in favor of the Government. "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531; AG ¶ 2(b). Clearance decisions are not a determination of the loyalty of the applicant concerned. They are merely an indication that the applicant has or has not met the strict guidelines the Government has established for issuing a clearance.

Analysis

Financial Considerations

AG ¶ 18 articulates the security concern 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.

Applicant's history of delinquent debt is documented in his credit reports, his SOR response, his testimony, and the record evidence. AG ¶ 19 provides three disqualifying conditions that could raise a security concern and may be disqualifying in this case: "(a) inability or unwillingness to satisfy debts;" "(c) a history of not meeting financial obligations;" and "(g) failure to file annual Federal, state, or local income tax returns as required." The record established the disqualifying conditions in AG ¶¶ 19(a), 19(c), and 19(g) requiring additional inquiry about the possible applicability of mitigating conditions.

Five 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;⁵ 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.

The Appeal Board concisely explained Applicant's responsibility for proving the applicability of mitigating conditions as follows:

Once a concern arises regarding an Applicant's security clearance eligibility, there is a strong presumption against the grant or maintenance of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990), *cert. denied*, 499 U.S. 905 (1991). After the Government presents evidence raising security concerns, the burden shifts to the applicant to rebut or mitigate those concerns. See Directive ¶ E3.1.15. The standard applicable in security clearance decisions is that articulated in *Egan, supra*. "Any doubt concerning personnel being considered for access to classified information will be resolved in favor of the national security." Directive, Enclosure 2 ¶ 2(b).

⁵ The Appeal Board has previously explained what constitutes a "good faith" effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the "good faith" mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant's debts. The Directive does not define the term "good-faith." However, the Board has indicated that the concept of good-faith "requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation." Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy) in order to claim the benefit of [the "good faith" mitigating condition].

(internal citation and footnote omitted) ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001)).

ISCR Case No. 10-04641 at 4 (App. Bd. Sept. 24, 2013).

No mitigating conditions fully apply; however, Applicant presented some important positive financial information. Because of his divorce in 2005, underemployment for several years, a car accident in 2005, and lack of income, he was unable to make some payments and keep some debts current. In May 2016, Applicant filed his federal tax returns for 2009 through 2011, 2013, and 2015. He acknowledged his delinquent debts, and he intends to pay his debts. I have credited Applicant with mitigating the \$89 medical debt in SOR ¶ 1.i. Applicant denied responsibility for this debt, and his latest credit report does not indicate a balance owed for this debt.

The negative financial considerations concerns are more substantial. The record established that Applicant has eight delinquent SOR debts totaling over \$57,300, including two delinquent state tax liens and one federal income tax lien; he failed to timely file his state tax returns for 2010, 2011, and 2013; and he failed to timely file his federal income tax returns for 2009 through 2011, and for 2013. He did not explain how he was able to file his state tax returns for any years when he had not filed his federal income tax returns.

Applicant presented no documentary evidence to show that he has been in contact with his creditors, or that he has attempted to settle, pay, or otherwise resolve his delinquent debts since they became delinquent or at least since 2007. Applicant's explanations and evidence fail to establish that he has a track record of financial responsibility. Moreover, the DOHA Appeal Board has commented:

Failure to file tax returns suggests that an applicant has a problem with complying with well-established governmental rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information. ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002). As we have noted in the past, a clearance adjudication is not directed at collecting debts. See, e.g., ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008). By the same token, neither is it directed toward *inducing an applicant to file tax returns*. Rather, it is a proceeding aimed at evaluating an applicant's judgment and reliability. *Id.* A person who fails repeatedly to fulfill his or her legal obligations does not demonstrate the high degree of good judgment and reliability required of those granted access to classified information. See, e.g., ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). See *Cafeteria & Restaurant Workers Union Local 473 v. McElroy*, 284 F.2d 173, 183 (D.C. Cir. 1960), *aff'd*, 367 U.S. 886 (1961).

ISCR Case No. 14-04437 at 3 (App. Bd. Apr. 15, 2016). See ISCR Case No. 14-05476 at 5 (App. Bd. Mar. 25, 2016) (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002)). ISCR Case No. 14-01894 at 4-5 (App. Bd. Aug. 18, 2015). The Appeal Board clarified that even in instances where an "[a]pplicant has purportedly corrected [the applicant's] federal tax problem, and the fact that [applicant] is now motivated to prevent such problems in

the future, does not preclude careful consideration of [a]pplicant's security worthiness in light of [applicant's] longstanding prior behavior evidencing irresponsibility" including a failure to timely file federal income tax returns. See ISCR Case No. 15-01031 at 3 and note 3 (App. Bd. June 15, 2016) (characterizing "no harm, no foul" approach to an Applicant's course of conduct and employed an "all's well that ends well" analysis as inadequate to support approval of access to classified information with focus on timing of filing of tax returns after receipt of the SOR).

In ISCR Case No. 15-01031 at 2 (App. Bd. June 15, 2016), the Appeal Board reversed the grant of a security clearance, and noted the following primary relevant disqualifying facts:

Applicant filed his 2011 Federal income tax return in December 2013 and received a \$2,074 tax refund. He filed his 2012 Federal tax return in September 2014 and his 2013 Federal tax return in October 2015. He received Federal tax refunds of \$3,664 for 2012 and \$1,013 for 2013.

Notwithstanding the lack of any tax debt owed in ISCR Case No. 15-01031 (App. Bd. June 15, 2016), the Appeal Board provided the following principal rationale for reversal:

Failure to comply with Federal and/or state tax laws suggests that an applicant has a problem with abiding by well-established Government rules and regulations. Voluntary compliance with rules and regulations is essential for protecting classified information. . . . By failing to file his 2011, 2012, and 2013 Federal income tax returns in a timely manner, Applicant did not demonstrate the high degree of good judgment and reliability required of persons granted access to classified information.

ISCR Case No. 15-01031 at 4 (App. Bd. June 15, 2016) (citations omitted).

Whole-Person Concept

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case, and under the whole-person concept. AG ¶ 2(c). I have incorporated my comments under Guideline F in my whole-person analysis, but some warrant additional comment.

Applicant is 56 years old. He worked for the Navy as a postal clerk, has worked as a security officer since 2004, and has been a security supervisor for his current employer since 2014. From at least 1987 to 2005, he held a security clearance when he was working as a Navy postal clerk, and possibly from 1977 when he worked in the mailroom for another federal agency. There is no evidence of security violations.

Several circumstances beyond his control adversely affected his finances, including injury in a vehicle accident in 2005, divorce in 2005, and underemployment for

several years. The chief of operations for Applicant's employer described Applicant as an exemplary employee.

Notwithstanding, Applicant's evidence is insufficient to establish his financial responsibility under the circumstances. He presented no documentary evidence to show that he has been in contact with his creditors, or that he has attempted to settle, pay, or otherwise resolve his delinquent debts since they became delinquent or at least since 2007. He presented no documentary evidence of any payments to his creditors. Applicant's explanations and evidence fail to establish that he has a track record of financial responsibility.

Moreover, he has two delinquent state tax liens and one federal tax lien; he failed to timely file his state tax returns for 2010, 2011, and 2013; and he failed to timely file his federal income tax returns for 2009 through 2011, and 2013. When a tax issue is involved, an administrative judge is required to consider how long an applicant waits to file their tax returns, whether the IRS generates the tax returns, and how long the applicant waits after a tax debt arises to begin and complete making payments.⁶ Applicant waited several years (until May 2016) to file all required federal tax returns; he has not filed some state tax returns; and he continues to owe substantial state and federal tax debts from before 2008.

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against the grant or renewal of a security clearance. See *Dorfmont*, 913 F. 2d at 1401. Unmitigated financial considerations

⁶ The recent emphasis of the Appeal Board on security concerns arising from tax cases is instructive. See ISCR Case No. 14-05794 at 7 (App. Bd. July 7, 2016) (reversing grant of security clearance and stating, "His delay in taking action to resolve his tax deficiency for years and then taking action only after his security clearance was in jeopardy undercuts a determination that Applicant has rehabilitated himself and does not reflect the voluntary compliance of rules and regulations expected of someone entrusted with the nation's secrets."); ISCR Case No. 14-01894 at 2-6 (App. Bd. Aug. 18, 2015) (reversing grant of a security clearance, discussing lack of detailed corroboration of circumstances beyond applicant's control adversely affecting finances, noting two tax liens totaling \$175,000 and garnishment of Applicant's wages, and emphasizing the applicant's failure to timely file and pay taxes); ISCR Case No. 12-05053 at 4 (App. Bd. Oct. 30, 2014) (reversing grant of a security clearance, noting not all tax returns filed, and insufficient discussion of Applicant's efforts to resolve tax liens). More recently, in ISCR Case No. 14-05476 (App. Bd. Mar. 25, 2016) the Appeal Board reversed a grant of a security clearance for a retired E-9 and cited applicant's failure to timely file state tax returns for tax years 2010 through 2013 and federal returns for tax years 2010 through 2012. Before his hearing, he filed his tax returns and paid his tax debts except for \$13,000, which was in an established payment plan. The Appeal Board highlighted his annual income of over \$200,000 and discounted his non-tax expenses, contributions to DOD, and spouse's medical problems. The Appeal Board emphasized "the allegations regarding his failure to file tax returns in the first place stating, it is well settled that failure to file tax returns suggest that an applicant has a problem with complying with well-established government rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information." *Id.* at 5 (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002) (internal quotation marks and brackets omitted). See also ISCR Case No. 14-03358 at 3, 5 (App. Bd. Oct. 9, 2015) (reversing grant of a security clearance, noting \$150,000 owed to the federal government, and stating "A security clearance represents an obligation to the Federal Government for the protection of national secrets. Accordingly failure to honor other obligations to the Government has a direct bearing on an applicant's reliability, trustworthiness, and ability to protect classified information.").

concerns lead me to conclude that grant of a security clearance to Applicant is not warranted at this time. Financial considerations concerns are not mitigated.

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 through 1.h:	Against Applicant
Subparagraph 1.i:	For Applicant
Subparagraph 1.j:	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 or continue Applicant's eligibility for a security clearance. Eligibility for access to classified information is denied.

JUAN J. RIVERA
Administrative Judge