



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



In the matter of:)
)
) ISCR Case No. 17-04215
)
Applicant for Security Clearance)

Appearances

For Government: Tovah Minster, Esq., Department Counsel
For Applicant: *Pro se*

11/07/2018

Decision

LOUGHRAN, Edward W., Administrative Judge:

On January 30, 2018, the Department of Defense (DOD) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F, financial considerations.¹ Applicant responded to the SOR on February 16, 2018, and requested a hearing before an administrative judge. The case was assigned to me on August 3, 2018. The hearing was held as scheduled on September 26, 2018. On October 18, 2018, I proposed to the parties that this case was appropriate for a summary disposition in Applicant's favor. Department Counsel did not object.

Applicant is a 56-year-old employee of a defense contractor. He is married for the second time. He has three adult children and an adult stepchild. His financial problems started in the 1990s when he was self-employed and did not file his federal income tax returns for several years. His federal tax liability peaked at about \$60,000 before he started sincere efforts to pay it. He paid the back taxes down to about

¹ This case is adjudicated under Executive Order (EO) 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, which became effective on June 8, 2017.

\$12,500 before the recession hit in 2007 and his wife lost her job. The IRS filed a \$12,542 tax lien against him in 2008. He was able to resume his efforts; the tax lien was released in 2011; and all his back taxes have been paid. He has been compliant with his tax-filing obligations for at least 15 years.

In addition to the tax lien that has been released, the Statement of Reasons (SOR) alleges a \$3,854 judgment; three small delinquent debts totaling \$411; and \$31,897 in child support arrearages. Two of the small debts were paid in October 2017, and the judgment was paid in full in December 2017 and recorded by the court as satisfied in January 2018. He is willing to pay the unidentified \$58 medical debt, but it does not appear on his recent credit reports, and he does not know who to pay or if it is a legitimate debt.

Applicant paid child support directly to the mother of his 23-year-old son for years before a \$915 per month order was directed in 2009. The amount was automatically withheld from his paycheck until his son turned 18 in 2013. His son did not attend college, and Applicant received a refund from the state for his last payment. About ten months later, the state notified Applicant that he owed about \$19,000 in child support arrearages. He still does not understand how the state determined that figure, and he resisted paying it while he was disputing it. The arrearages grew to about \$38,000 before Applicant decided it was better to simply pay the amount owed. He has been paying more than the required monthly payment of \$915 most months, and he has reduced the arrearages to about \$23,000.

Applicant's current finances are in order. He paid a number of debts that were not alleged in the SOR before the SOR was issued. He credibly testified that he will continue to pay the child support until the arrearages are satisfied. He established a plan to resolve his financial problems, and he took significant action to implement that plan. I conclude that the security concerns are mitigated under the following mitigating conditions: AG ¶¶ 20(a), 20(d), and 20(g).

The concerns over Applicant's history of financial problems do not create doubt about his current reliability, trustworthiness, good judgment, and ability to protect classified information. In reaching this conclusion, I weighed the evidence as a whole and considered if the favorable evidence outweighed the unfavorable evidence. I also gave due consideration to the whole-person concept. Accordingly, I conclude that Applicant met his ultimate burden of persuasion to show that it is clearly consistent with the national interest to grant him eligibility for access to classified information. This case is decided for Applicant.

Edward W. Loughran
Administrative Judge