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June 23, 2009

DEPARTMENT OF ENERGY
OFFICE OF HEARINGS AND APPEALS

Hearing Officer's Decision

Name of Case: Personnel Security Hearing

Date of Filing: February 18, 2009

Case Number: TSO-0706

This Decision concerns the eligibility of XXXXXXXXXXXXXXXX (hereinafter "the Individual") for access authorization. This decision will consider whether, based on the testimony and other evidence presented in this proceeding, the Individual's suspended access authorization should be restored.¹ For the reasons detailed below, it is my decision that the Individual's access authorization should not be restored.²

I. APPLICABLE REGULATIONS

The regulations governing the Individual's eligibility are set forth at 10 C.F.R. Part 710, "Criteria and Procedures for Determining Eligibility for Access to Classified Matter or Special Nuclear Material." Under Part 710, the Department of Energy (DOE) may suspend an individual's access authorization where "information is received that raises a question concerning an individual's continued access authorization eligibility." 10 C.F.R. § 710.10(a). After such derogatory information has been received and a question concerning an individual's eligibility to hold an access authorization has been raised, the burden shifts to the individual to prove that "the grant or restoration of access authorization to the individual would not endanger the common defense and security and would be clearly consistent with the national interest." *See* 10 C.F.R. § 710.27(a). The ultimate decision concerning eligibility is a comprehensive, common sense judgment based on a consideration of all relevant information, favorable and unfavorable. 10 C.F.R. § 710.7(a).

¹ Access authorization (or security clearance) is an administrative determination that an individual is eligible for access to classified matter or special nuclear material. 10 C.F.R. § 710.5.

² Decisions issued by the Office of Hearings and Appeals (OHA) after November 19, 1996, are available on the OHA website located at <http://www.oha.doe.gov>. The text of a cited decision may be accessed by entering the case number of the decision in the search engine located at <http://www.oha.doe.gov/search.htm>.

II. BACKGROUND

The Individual is an employee at a DOE facility. She has been employed intermittently at the facility since 1996, beginning as a student intern. DOE Exhibit (Ex.) 10 at 4. The Individual was granted a security clearance from 1996 to 1998. Ex. 7. In 1998, the Individual joined a branch of the National Guard. Ex. 9 at 26. In 2004, the Individual's employer requested that her security clearance be reinstated and the Individual completed a Questionnaire for National Security Positions in September 2004 (2004 QNSP). Ex. 7. In November 2005, the Individual's security clearance was reinstated after the local security office (LSO) conducted a Personnel Security Interview (PSI) with her in October 2005 (2005 PSI).

Pursuant to a reinvestigation, the Individual completed another Questionnaire for National Security Positions in April 2008 (2008 QNSP). A subsequent investigation discovered that contrary to her answer in the 2008 QNSP, the Individual had been given non-judicial punishment under the State Code of Military Justice for "falsifying timecards" and "fabricating a signature" and been given an other than Honorable Discharge, a General Discharge, from the National Guard. Ex. 4 at 1. The investigation also uncovered that the Individual had a number unpaid debts and that the Individual had been accused of several incidents of theft and issuing checks with insufficient funds to cover them. Ex. 4 at 3-4, 6. This additional information indicated that the Individual had not accurately answered a number of the questions in the 2008 QNSP. Ex. 4 at 5. The LSO then conducted another Personnel Security Interview with the Individual in October 2008 (2008 PSI). Ex. 12.

Because the 2008 PSI failed to resolve the above derogatory information, the Individual's security clearance was suspended and the LSO requested an administrative review regarding the Individual's clearance. Subsequently, the Individual was issued a notification letter on January 15, 2009 (Notification Letter). In the Notification Letter, the Individual was informed that her failure to disclose a number of items in her 2004 and 2008 QNSPs relating to the circumstances of her discharge from the National Guard, an arrest on a warrant for an unpaid speeding citation, a charge of passing a worthless check, and two judgments for debts and delinquent accounts totaling approximately \$14,000 constituted derogatory information under 10 C.F.R. § 710.8(f) (Criterion F). Ex. 1 at 1-2. The Notification Letter also asserted that the Individual's conduct in falsifying timecards and fabricating a signature while enlisted in the National Guard and her subsequent involuntary discharge from the National Guard, an allegation from a former employer that she had embezzled funds, having been charged several times for automobile-related offenses and once for passing a worthless check, her history of financial indebtedness, and her unpaid credit accounts constituted derogatory information under 10 C.F.R. § 710.8(l) (Criterion L).³ Additional derogatory evidence cited under Criterion L was the Individual's

³ Criterion F refers to information indicating that an individual has "[d]eliberately misrepresented, falsified, or omitted significant information from a Personnel Security Questionnaire, a Questionnaire for Sensitive (or National Security) Positions, a personnel qualifications statement, a personnel security interview, written or oral statements made in response to official inquiry on a matter that is relevant to a determination regarding eligibility for DOE access authorization, or proceedings conducted pursuant to Sec. 710.20 through Sec. 710.31." 10 C.F.R. § 710.8(f). Criterion L references information indicating that an individual is "[e]ngaged in any unusual conduct or is subject to any circumstances which tend to show that the individual is not honest, reliable, or trustworthy. . . ." 10 C.F.R. § 710.8(l).

disclosures in the 2005 and 2008 PSIs regarding involuntary discharges from several employers and various allegations regarding dishonesty. Additionally, the Notification Letter cited the Individual's current indebtedness of \$14,012 in 25 different accounts and her two court judgments regarding her debt as further Criterion L derogatory information.

A hearing was held in this matter. At the hearing, DOE did not present witnesses. The Individual offered her own testimony, as well as that of her husband and her supervisor. The DOE submitted 14 exhibits (Exs. 1-14) for the record. The Individual submitted two exhibits (Ind. Exs. A and B).

III. FACTUAL FINDINGS

The Individual challenges the DOE's characterization of a number of the events DOE has cited as derogatory information. However, the majority of the factual accuracy of the events described in the Notification Letter are not challenged.

The Individual enlisted in the National Guard in July 1998. Ex. 14 at 77.

In July 2001, an Apartment Complex obtained a judgment against the Individual for unpaid rent. Ex. 12 at 67, 73; Ex. 13 at 15-17; Ex. 14 at 96.

The Individual had a warrant issued against her for failure to appear in court in response to citations issued in May 2002 for Speeding and Driving with No Insurance. Ex. 13 at 177.

The Individual was Charged with Driving on a Suspended License, Failure to Possess Automobile Insurance and Speeding in November 2002. The Individual did not appear at a scheduled hearing and an arrest warrant was issued. The Individual resolved the warrant and paid a fine of \$600. Ex. 12 at 170-72, 175-77; Ex. 14 at 81.

The Individual was cited in November 2002 for Speeding in a Construction Zone, No Car Insurance and Driving on a Suspended License, which were subsequently resolved by her paying fines totaling \$600. Ex. 13 at 168, 175-77.

An auto sales firm obtained a judgment against the Individual in the amount of \$493 in August 2003. Ex. 14 at 96. The Individual was also charged with Presenting a Worthless Check in that same month. The Individual covered the amount of the check and the case was dismissed by the court for a failure to prosecute the case. Ex. 12 at 108-09.

The Individual obtained employment as a civilian Civil Service Technician for the National Guard unit for which she was a member. Ex. 14 at 80. In early 2004, the Individual was charged under the State Code of Military Justice with Signing False Official Statements, Larceny and Wrongful Appropriation, and Forgery. Ex. 14 at 77. The Individual was alleged to have falsified the number of training days she undertook in October 2003 and falsified her time and attendance records between December 2003 and January 2004. The Individual was alleged to have fabricated the signature of an official regarding an official National Guard order. The effect of the falsifications was to allow the Individual to collect \$100 of improper compensation on two occasions. The Individual waived her right to a court martial and an opportunity to present her

version of the facts to a responsible official. Her commanding officer instituted an Article 15 non-judicial proceeding against the Individual and, as a result, in April 2004 the Individual was demoted in rank from E-4 to E-1. The Individual was subsequently given a General Discharge (other than honorable) from National Guard Service in May 2004. Ex. 14 at 33, 77. Her commanding officer allowed the Individual to resign from her civilian position with the National Guard unit in lieu of terminating her from the position. Ex. 14 at 80.

The Individual obtained a temporary position with a law firm in 2004. In July 2004, the local police were called by the firm to report that signatures on various firm checks had been forged by the Individual and that the Individual had cashed the checks. Ex. 14 at 143. The firm alleged that \$1105.39 had been taken from the firm. An official at the firm confronted the Individual about the checks and the Individual allegedly admitted responsibility and returned \$503 to the firm.⁴ The Individual was subsequently fired by the firm. Ex. 14 at 143.

The Individual submitted her 2004 QNSP in September 2004. The Individual answered “No” to Question No. 19 asking if the Individual has received anything other than an Honorable Discharge from her military service. Ex. 10 at 7. The Individual did not list her employment with the law firm on Question No. 11. Ex. 10 at 3. The Individual answered “No” to Question No. 22, which asks if the Individual has ever been fired from a job or quit a job after being told she would be fired, or left a job following an allegation of misconduct. Ex. 10 at 7. The Individual answered “No” to Question No. 23f, asking about arrests in which a fine of more than \$150 was imposed. Ex. 10 at 7. The Individual answered “No” to Question No. 23e asking if the Individual has ever been subject to disciplinary proceedings under the Uniform Code of Military Justice. Ex. 10 at 7. She also answered “No” to Question No. 27d which asked about judgments had been issued against the Individual and that have not been paid. Ex. 10 at 8. When asked to list credit accounts in Question No. 28 on which she has been delinquent, the Individual listed two credit cards. Ex. 10 at 9. A credit report obtained in November 2004 listed a number of the Individual’s other overdue credit accounts, originating prior to September 2004, as having been referred to collection agencies. Ex. 13 at 148-49.

The Individual underwent a PSI in October 2005. In the PSI, the Individual stated that the only interaction she had with the law firm was a notice concerning overpayment of unemployment benefits and that she owed money to the firm. Ex. 13 at 37-39. She also denied, during the PSI, having ever been confronted with allegations that she embezzled money, altered checks or took employee funds. Ex. 13 at 39. She also denied any knowledge of a judgment from an apartment complex, writing checks which had been returned, or that any warrants had been filed against her. Ex. 13 at 15, 21, 28. When asked about her employment during 2004 and whether she had filed for unemployment benefits, the Individual replied “No, I couldn’t because I wasn’t fired from the Guard.” Ex. 13 at 39.

In April 2008, as part of an reinvestigation, the Individual signed and submitted her 2008 QNSP. She answered “No” to the following questions:

No. 19 – Have you ever received other than an honorable discharge from the military?

⁴ As referenced *infra*, the Individual disputes that this event took place.

No. 22 – In the last seven years, have you ever been fired from a job or quit a job after being told she would be fired or left a job following an allegation of misconduct or left under unfavorable circumstances?

No. 23e – In the last seven years, have you been subject to court martial or other disciplinary proceeding under the Uniform Code of Military Justice (include non-judicial, Captain's mast, etc.)?

No. 23f – In the last seven years, have you been arrested for, charged with, or convicted of any offense(s) not listed in Question Nos. 23a, b, c, d, e (Leave out traffic fines of less than \$150 unless the violation was alcohol or drug related)

No. 27d – In the last seven years, have you had any judgments against you that have not been paid?

Ex. 9 at 27-33.

The Individual answered "Yes" to Questions Nos. 28a and b. Ex. 9 at 33. These questions asked if the Individual had been over 180 days delinquent on any debts(s) and if the Individual was currently over 90 days delinquent on any debt. When asked to list all such debts, the Individual listed a Discover Card account and a First USA Visa account totaling \$4,000 and stated that both delinquencies were a result of identity theft. Ex. 9 at 34. An analysis of her delinquent financial accounts performed later in 2008 by the LSO indicates that the Individual in fact has 25 delinquent accounts totaling \$14,012. Ex. 3. at 15. The Individual omitted her employment with the law firm in Question No. 11. Ex. 9 at 13-15.

In response to the 2008 QNSP, the LSO conducted the 2008 PSI with the Individual. During this PSI, the Individual admitted that she had been involuntarily discharged, with a General Discharge (under other than honorable conditions) from the National Guard in 2004 and had received an Article 15 demotion for the offense of Falsification of Records. Ex. 12 at 16, 22, 26-27, 32-33. The Individual also stated that in connection with her discharge she signed a statement admitting the accusations and informing her that she would be given a General Discharge. Ex. 12 at 27. She stated she signed the form to avoid the possibility of receiving a Dishonorable Discharge. Ex. 12 at 27. Because of her discharge from the National Guard she was also forced to leave her civilian position at her National Guard unit in 2004. Ex. 12. at 30. The Individual also revealed that sometime prior to her discharge she had been accused by a supervisor at her National Guard unit of improperly taking \$200 dollars from a fund from her unit. Ex. 12 at 17. She also confirmed at the interview that she had been charged with presenting a worthless check in August 2003, that she had two outstanding judgments from an apartment complex and an automobile sales firm, and that she had failed to list all of her delinquent financial accounts. Ex. 13 at 107-10, 231-35. She also confirmed that she had been arrested in November 2002 for Speeding in a Construction Zone, No Car Insurance and Driving on a Suspended License, which were subsequently resolved by her paying fines totaling \$600. Ex. 13 at 168, 175-77. The Individual also stated that an active warrant for her arrest had existed regarding her failure to appear in court in response to a May 2002 Speeding and Driving with No Insurance citation. Ex. 13 at 177.

V. ANALYSIS

A. Criterion F

The deliberate withholding of significant information raises serious issues with regard to the individual's honesty, reliability and trustworthiness. The DOE security program is based on trust, and when a security clearance holder breaches that trust by misrepresenting, falsifying or omitting information, it is difficult to determine to what extent the individual can be trusted again in the future. *See, e.g., Personnel Security Hearing, Case No. TSO-0374*, slip op. at 7 (February 1, 2007); *Personnel Security Hearing, Case No. TSO-0361*, slip op. at 7 (October 6, 2006); *Personnel Security Hearing, Case No. VSO-0281*, (November 2, 1999). The Criterion F concerns arise from the Individual's failure to list information in the 2004 and 2008 QNSPs and the Individual's providing false information in the 2005 PSI and the 2008 PSI. As described in my findings of fact, the LSO had abundant grounds to invoke this category of derogatory under Part 710.

1. Hearing Testimony

The Individual does not challenge the fact that she left out relevant information in both QNSPs as detailed in previous section of this Decision. Transcript of Hearing (Tr.) at 61. With regard to certain items, such as the failure to list the 2003 car sale judgment, the Individual states she was not aware that the judgment had been issued until she received a copy of her credit report. Tr. at 62. She also believes that she was not "involuntarily separated" from her National Guard civil service position but in fact resigned. Tr. at 62. She did acknowledge that her resignation was prompted by the choice that was offered by her supervisor to resign or to be charged with a crime. Tr. at 62. When asked why then she answered "No" to the QNSP question about whether she had ever left a job by mutual agreement following allegations of misconduct or being told you would be fired, she replied "I just put the incorrect answer." Tr. at 63. When asked further as to why she answered "no," the Individual stated that "I think it was embarrassment." Tr. at 64. The Individual went on to testify

You know, I've -- I've made some pretty serious mistakes in my past. I've done things that I'm not proud of and have since, you know, tried to move past that and learn my lesson and tried to get on the path of being a good person and not making the same mistakes, and I'm just trying to get -- I've been trying to, you know, straighten my life out and, you know, have a good job and be a good wife and have a family and do everything appropriately after I made those mistakes.

And like I said, I do realize I have made some drastic mistakes, but, you know, some of it I attribute to just naiveness [sic], some of it I attribute to just being young. I mean, all these things happened some time ago, you know, in my early 20s and whatnot. I mean, I'm 30 now, so, you know, I do think embarrassment is -- is a big part of it.

Tr. at 64. The Individual admitted that her failure to include relevant information in response to the QNSP questions was not a result of lack of knowledge as to the correct answer or a failure to understand what the questions were asking. Tr. at 64.

She further testified that she did not list being charged with passing a worthless check in 2003 because the case was *nolle prosequi* and that her public defender had informed her that the charge would be removed from her record. Tr. at 81-82. When asked why she would not list the charge nonetheless since Question No. 23(f) asked for incidents where the Individual was “charged,” the Individual stated that she may have not recalled the arrest when filling out the QNSPs. Tr. at 82.

The Individual testified that she failed to list one of her two outstanding judgments, the Auto Sales judgment, in her 2004 QNSP because she had no knowledge that the dealer had obtained a judgment against her. Tr. at 84. With regard to why she did not list the judgment obtained by the apartment complex, she stated that she was unable to get a credit report on herself and she only had a limited time to submit her 2004 QNSP. Tr. at 85. As to why she didn’t list either judgment in the 2008 QNSP, the Individual testified “I don’t have a reason for it. I mean I should have listed it. I should have listed both of them.” Tr. at 86. The Individual also stated that her failure to list all of her delinquent accounts may have been due her attempt to minimize her financial situation, embarrassment, and to her belief that a full accounting might affect her clearance. Tr. at 89-91.

The Individual testified that as to her employment with the law firm in 2004, she did not list it in the 2004 QNSP because she was told by “someone” at the DOE facility that she did not have to list any employment under three months. Tr. at 105. The Individual later testified that her failure to list the employment was a result of “sheer, I guess, panic or bad judgment.” Tr. at 106.

The Individual’s husband testified as to his belief that the origin of the embezzlement charge centered around a monetary donation (of between approximately \$150-250) to a church that the Individual had solicited from the firm. Tr. at 18. He further testified that he and his wife had received letters and calls from the firm alleging that it had not authorized the donation. Tr. at 18, 20-21.

The Individual testified that she remembered received one letter from the firm. Tr. at 109-10. When asked if she did not disclose her involvement with the law firm because she feared it might affect her clearance she replied:

Yes. I do think I was afraid it might affect my clearance, and I think that there's an embarrassment factor there, too, because I do not think that the information that they had against me was -- I think that they were trying to accuse me of things that I didn't do because somebody that worked there knew somebody in the guard that found out about the stuff at the guard, and I think that they used it as an excuse to -- you know, and to be honest, yeah, the company [the law firm] was great and everything, but the people that worked there were kind of fishy, and my ultimate goal was to get in back at [the DOE facility].

Tr. at 111.

The Individual also admitted that her statements in the 2008 PSI regarding her employment at the law firm were false.⁵ In contrast to her answer in the PSI that she voluntarily left the law firm, she admitted that she had been fired, that she actually worked at the firm for approximately 30 days, and that, also contrary to her answers in the PSI, she had been involuntarily terminated. Tr. at 113, 124-25; *see* Tr. at 18, 22 (Individual's husband's testimony).

As to the charges that led to the Individual's dismissal from the National Guard, the Individual admitted that she did in fact participate in more training days (in order to earn additional money) than for which she was authorized (15 days per year) and that she issued orders under her commander's name without his permission. Tr. at 142, 144. Because she was embarrassed about her financial difficulties at the time she did not ask her commander if she could have additional training days. Instead, she issued additional orders for training days for herself without his knowledge. Tr. at 145. She testified that she did not remember talking to anyone at the National Guard concerning an allegation of falsifying time and attendance records. Tr. at 142-43.

2. Analysis

There is no obvious medical or other type of expert that an individual can produce to support rehabilitation from falsification. A Hearing Officer must therefore look at the statements of an individual and facts surrounding the falsification in order to assess whether the individual has rehabilitated himself from the falsehood and whether granting or restoring the clearance would pose a threat to security. *Personnel Security Hearing, Case No. TSO-0509* (October 29, 2007); *see Personnel Security Hearing, Case No. VSO-0327* (April 20, 2000).

The Individual's admitted falsifications are self-evident in the record of this case. In the instances where the Individual has tried to provide various explanations for some of her answers, I find they are inadequate to provide a sufficient justification for her failure to furnish accurate information in the PSIs and QNSPs in almost all cases.⁶ Several times during the hearing the Individual frankly admitted her failure to provide accurate information was motivated by embarrassment and fear as to what effect a correct answer would have on her security clearance. Her testimony also indicates that she believed she could resolve the serious errors she had made in her life by essentially ignoring them.

The Individual's history of falsifications is significant. She has not provided accurate answers for a period of some 5 years. The depth of the falsifications is extensive involving numerous questions in all of the PSIs and QNSPs at issue in this case. Further, her falsifications are recent,

⁵ As a general explanation as to her failure to answer questions accurately in the PSIs, the Individual asserted that the interviews lasted for an extended period of time without any breaks and that given her fatigue, she may have given differing answers in the same interview. Tr. at 68-69.

⁶ With regard to the allegation that the Individual provided an incorrect answer to Question No. 23e in the 2004 and 2008 QNSP there is insufficient evidence to conclude that her answer of "No." is incorrect. The record indicates that the Individual was charged under a State Code of Military Justice for the regulation of its militia (National Guard) and not under an offense listed under the statute establishing the Uniform Code of Military Justice (UMCJ), 10 U.S.C. § 801 *et seq.* *See* Ex. 14 at 77. The UMCJ is applicable to National Guard personnel only when such personnel have been called up for federal service. 10 U.S.C. § 802(a)(3). The Individual testified that at the time of the incidents giving rise to her discharge from the National Guard she had not been called up for federal service. Tr. at 148.

occurring as recently as 7 months prior to the hearing. The Individual's relative youth when she made some of the falsifications does not provide any mitigation, since her most recent falsifications in the 2008 PSI occurred when she was 30 years old. Given this factual background, I cannot find that the Individual has resolved the security concerns raised by the falsifications listed in the Notification Letter.

B. Criterion L

The Criterion L concerns center around the allegation that the Individual embezzled funds at the law firm where she worked; that, while in the National Guard, she falsified time and attendance records and falsely used her commander's signature to issue orders; and, that she has a number of charges filed against her for traffic offenses. Additionally, the Individual has made numerous falsifications in the 2005 and 2008 PSIs and her 2004 and 2008 QNSPs and has a significant history of unpaid debts.

With regard to the Criterion L information that relates to false information, the previous section outlines my findings that almost all of the items of Criterion L derogatory information have been substantiated and that the Individual has failed to mitigate the concerns raised by her conduct of failure to provide truthful answers to the questions put to her in the PSIs and QNSPs.

The Individual's conduct relating to the charge of embezzlement, her unauthorized use of her commander's signature for issue orders for training days, and the other incidents that led to her discharge from the National Guard, clearly implicate defects in judgment, honesty and reliability. The Individual's husband testified that, a couple of weeks prior to her termination from the firm, the Individual solicited the firm to issue a check of approximately \$150 or \$250 to a church as a donation. Tr. at 18. Later the firm claimed it had not authorized the check and requested that the Individual return the money. Tr. 18. The Individual informed her husband that officials at the firm had authorized the donation. Tr. at 18. The firm subsequently called the Individual and sent her several letters demanding return of the money. Tr. at 20.

The Individual testified that she submitted a form at the firm requesting that the firm donate money to a church. Tr. at 115. She does not understand how she could be accused of embezzlement since she did not write out the check. Tr. at 115-16. The Individual asserted that the reason for her termination was related to the fact that officials at the firm were members of the National Guard unit she had belonged to and knew of the incident that led to her discharge from service. Tr. at 111.

With regard to the embezzlement charge, the accounts of the Individual and her husband about the incident do not resolve the concerns raised by the police report. The police report references a specific amount of money both alleged to be stolen by the Individual and that was repaid by her. The police report states that the police interviewed a firm employee who informed them that the Individual had been forging the employee's signature on four firm checks totaling \$1,105.39. Ex. 14 at 75. That employee stated that she had confronted the Individual with this information and that the Individual admitted to taking the money agreed to pay the firm back. The Individual paid the firm \$503 back immediately. Ex. 14 at 55. The account provided by the Individual does not sufficiently address this allegation. She denies that anyone at the firm had such a conversation with her or that she paid the firm any money. Tr. at 117-18. She testified that she

has no idea why she was named as a suspect and the allegation may have been made about a number of individuals. Tr. at 188. In evaluating the evidence, the Individual's credibility is damaged by the falsifications she has made to the LSO concerning her employment at the firm and the reason for her termination. Consequently, there is insufficient evidence before me to resolve the concern raised by the embezzlement charge detailed in the police report.

As to the National Guard incidents, the Individual has admitted at the hearing that she used her commander's signature to issue orders that he was not aware of. This is essentially forgery and casts significant doubts as to the honesty and trustworthiness of the Individual. Further, while the Individual denies being approached by National Guard officials concerning the allegation of falsifying timecards, this testimony is not sufficient to resolve the concerns raised by the specific documented charges. While the Individual has recently admitted that her conduct constitutes a significant mistake in judgment, such an awareness also does not resolve the concern raised by this conduct.

The Individual's documented history of unpaid debts casts further doubt regarding the Individual's judgment, honesty and reliability. In mitigation, the Individual's husband testified that some of the Individual's unpaid accounts were the result of an person who had access to her social security number and other personal information and who opened accounts in the Individual's name. Tr. at 10. He also stated his belief that the Individual's financial problems were aggravated by her failure to obtain her credit report. Tr. at 10. Since they began to live together, they have been trying to track and resolve her old debts. Tr. at 30, 40. He believes that the Individual is truthful and honest with him with regard to her expenditures. Tr. at 30. Once they were living together, in 2004, he had the Individual manage their finances. Tr. at 40, 43. She has done a "phenomenal job" in managing their finances and is able to account for all their expenses and did not "bounce" a check. Tr. at 41. He believes that her financial management skills have improved "drastically." Tr. at 42.

The Individual testified that she and her husband have paid off a number of the accounts and plan to continue paying these debts. Tr. at 102. The Individual has reduced her indebtedness from 20 delinquent accounts totaling \$10,553 (as of October 2008) to 8 delinquent accounts totaling \$4,919 (as of April 2009). *See* Ind. Ex. A and B. Further she had no idea as to why a number of the debts appeared on her credit report and will be filing formal disputes of these debts. Tr. at 100-01. She admitted that she has not resolved the debts as aggressively as she might have due to two miscarriages and several family illnesses. Tr. at 103. She has also made an appointment with a credit counseling firm to help her resolve her old debts. Tr. at 104.

While I find the Individual's husband's testimony credible on this issue, it does not resolve the concerns raised by the Individual's failure to pay debts. The Individual and her husband have made impressive strides in reducing the debt at issue here, but, given the extensive number of years the Individual has had issues with debt, a longer period of responsible financial management is needed before I could find that the concerns raised by the Individual's indebtedness have been resolved.

The Individual's history of traffic offenses and resulting warrants arising from her failure to address the associated traffic tickets also raise concerns regarding reliability. The Individual's husband testified that the Individual's difficulties with traffic tickets originate with the

Individual's intense preoccupation with work issues, causing her to forget to attend court dates regarding the tickets. Tr. at 44-45. She did not intentionally fail to appear at court to resolve her tickets. Tr. at 44-45. While the events giving rise to the traffic tickets and the warrants issued pursuant to them occurred a number of years ago, her irresponsibility in not addressing the tickets, when viewed in the context of the other allegations contained in the Notification Letter, is consistent with a pattern of unreliability. Even if the Individual unintentionally neglected to address the tickets, such a prolonged neglect of her responsibility to resolve those legal issues does not provide any mitigation for the security concerns raised by this conduct.

There is evidence in the record that the Individual has made significant changes in her life. As mentioned above, the Individual has had experience in conducting her husband's and her own finances in a responsible manner. Further, the Individual's husband trusts the Individual enough to give her a power of attorney giving her the ability to handle his affairs while he has been deployed as a member of the National Guard. Tr. at 32-33. He has also executed a power of attorney granting her the ability to make decisions regarding his son. Tr. at 32-33. The Individual's supervisor also testified as to the Individual's character. The Individual has worked as her secretary for the past two and a half years. Tr. at 58. She believes that the Individual is a trustworthy employee and that she would not be subject to any concerns arising from bribery or coercion. Tr. at 50. However, her recent meritorious conduct does not outweigh the fact that as recently as October 2008 (2008 PSI) the Individual deliberately falsified questions to prevent the LSO from obtaining relevant information regarding her eligibility for a security clearance and the fact that her history of falsification is extensive and of a significant duration. Consequently, the Criterion L concerns regarding the Individual's honesty, trustworthiness and reliability have not been resolved.

VI. CONCLUSION

As explained above, I find that the security concerns under Criteria F and L have not been resolved. I cannot conclude that restoring the Individual's access authorization "would not endanger the common defense and security and would be clearly consistent with the national interest." 10 C.F.R. § 710.7(a). Consequently, the Individual's access authorization should not be restored. The parties may seek review of this Decision by an Appeal Panel under the regulations set forth at 10 C.F.R. § 710.28.

Richard A. Cronin, Jr.
Hearing Officer
Office of Hearings and Appeals

Date: June 23, 2009