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United States Department of Energy
Office of Hearings and Appeals

In the Matter of: Personnel Security Hearing	)		
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Filing Date: March 24, 2026	)	Case No.:	PSH-26-0081
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	)		

Issued: June 30, 2026

Administrative Judge Decision

Phillip Harmonick, Administrative Judge:

This Decision concerns the eligibility of XXXXXXXXXX (the Individual) to hold an access authorization under the United States Department of Energy's (DOE) regulations, set forth at 10 C.F.R. Part 710, "Procedures for Determining Eligibility for Access to Classified Matter and Special Nuclear Material or Eligibility to Hold a Sensitive Position."[1] As discussed below, after carefully considering the record before me in light of the relevant regulations and the *National Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (June 8, 2017) (Adjudicative Guidelines), I conclude that the Individual's access authorization should not be restored.

I. BACKGROUND

The Individual was granted a security clearance in 2010. *See* Exhibit (Ex.) 10 at 141.[2] On June 11, 2025, the Individual completed a Questionnaire for National Security Positions (2025 QNSP) as part of a routine reinvestigation of his continued eligibility for access authorization. *Id.* at 147. Therein, the Individual checked a box marked "No" in response to questions inquiring as to whether he had a judgment entered against him in connection with a financial obligation or had fallen into delinquency on any debts in the prior seven years. *Id.* at 144. However, a credit report obtained as part of a background investigation of the Individual revealed that four debts on which the Individual owed a cumulative balance of $23,266 had been charged off or referred to collections, that he had a vehicle repossessed, and that four student loans had fallen into delinquency. *Id.* at 198–201. Additionally, on September 27, 2025, the local security office (LSO) obtained information indicating that the Individual had numerous civil judgments issued against him in connection with his delinquent debts. Ex. 7.

[1] The regulations define access authorization as "an administrative determination that an individual is eligible for access to classified matter or is eligible for access to, or control over, special nuclear material." 10 C.F.R. § 710.5(a). This Decision will refer to such authorization as access authorization or security clearance.

[2] The exhibits submitted by the local security office (LSO) were Bates numbered in the upper right corner of each page. This Decision will refer to the Bates numbering when citing to exhibits submitted by the LSO.

In January 2026, the LSO issued the Individual a letter of interrogatory (LOI) concerning his financial situation. Ex. 5. In response to the LOI, the Individual indicated that he had not resolved his delinquent debts and that he had not disclosed them on the 2025 QNSP because he was not aware of them when he completed the 2025 QNSP. *Id.* at 22–24, 26–28.

The LSO issued the Individual a Notification Letter advising him that it possessed reliable information that created substantial doubt regarding his eligibility for access authorization. Ex. 1 at 7–9. In a Summary of Security Concerns (SSC) attached to the letter, the LSO explained that the derogatory information raised security concerns under Guidelines E and F of the Adjudicative Guidelines. *Id.* at 5–6.

The Individual exercised his right to request an administrative review hearing pursuant to 10 C.F.R. Part 710. Ex. 2. The Director of the Office of Hearings and Appeals (OHA) appointed me as the Administrative Judge in this matter, and I conducted an administrative hearing. The LSO submitted ten exhibits (Ex. 1–10). The Individual did not submit any exhibits. The Individual testified on his own behalf. Tr. at 3, 10. The LSO did not call any witnesses to testify.

II. THE NOTIFICATION LETTER AND THE ASSOCIATED SECURITY CONCERNS

The LSO cited Guideline E (Personal Conduct) of the Adjudicative Guidelines as the first basis for its substantial doubt regarding the Individual's eligibility for access authorization. Ex. 1 at 5. "Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes." Adjudicative Guidelines at ¶ 15. The SSC alleged that the Individual failed to disclose his delinquent debts and civil judgments related to those debts on the 2025 QNSP as required. Ex. 1 at 5. The LSO's allegation that the Individual intentionally omitted this information from the 2025 QNSP justifies its invocation of Guideline E. Adjudicative Guidelines at ¶ 16(a).

The LSO cited Guideline F (Financial Considerations) of the Adjudicative Guidelines as the other basis for its substantial doubt regarding the Individual's eligibility for access authorization. Ex. 1 at 6. "Failure 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 or sensitive information." Adjudicative Guidelines at ¶ 18. The SSC cited the delinquent debts and civil judgments revealed during the background investigation of the Individual. Ex. 1 at 6. The LSO's allegations that the Individual demonstrated an inability or unwillingness to satisfy debts and a history of not meeting financial obligations justify its invocation of Guideline F. Adjudicative Guidelines at ¶ 19(a)–(c).

III. REGULATORY STANDARDS

A DOE administrative review proceeding under Part 710 requires me, as the Administrative Judge, to issue a Decision that reflects my comprehensive, common-sense judgment, made after consideration of all of the relevant evidence, favorable and unfavorable, as to whether the granting or continuation of a person's access authorization will not endanger the common defense and security and is clearly consistent with the national interest. 10 C.F.R. § 710.7(a). The regulatory standard implies that there is a presumption against granting or restoring a security clearance. *See Dep't of Navy v. Egan*, 484 U.S. 518, 531 (1988) ("clearly consistent with the national interest" standard for granting security clearances indicates "that security determinations should err, if they must, on the side of denials"); *Dorfmont v. Brown*, 913 F.2d 1399, 1403 (9th Cir. 1990) (strong presumption against the issuance of a security clearance).

An individual must come forward at the hearing with evidence to convince the DOE that granting or restoring access authorization "will not endanger the common defense and security and will be clearly consistent with the national interest." 10 C.F.R. § 710.27(d). An individual is afforded a full opportunity to present evidence supporting his or her eligibility for an access authorization. The Part 710 regulations are drafted so as to permit the introduction of a very broad range of evidence at personnel security hearings. Even appropriate hearsay evidence may be admitted. *Id.* § 710.26(h). Hence, an individual is afforded the utmost latitude in the presentation of evidence to mitigate the security concerns at issue.

IV. FINDINGS OF FACT

A. Individual's History of Financial Delinquencies

The Individual was granted a security clearance in 2010. *See* Ex. 10 at 141. In October 2017, the Individual submitted a QNSP (2017 QNSP) in connection with a routine reinvestigation of his eligibility for access authorization. *Id.* at 260. Therein, the Individual disclosed that he had fallen into delinquency on student loan debts and on a credit card debt. *Id.* at 255–56. The Individual checked a box marked "No" in response to a question asking whether he had any other delinquent debts to disclose and certified that his statements in the 2017 QNSP were "true, complete, and correct to the best of [his] knowledge and belief and [were] made in good faith." *Id.* at 257, 260. However, a credit report obtained as part of the background investigation revealed numerous debts that had been referred to collections or charged off that the Individual had not disclosed on the 2017 QNSP. *Id.* at 291–92.

During a November 2017 interview with an investigator, the Individual characterized his financial situation as "poor" and stated that he was living with his sister-in-law due to his financial circumstances. *Id.* at 273. The Individual indicated that he had omitted the delinquent debts identified on his credit report – eleven in total – due to error and not an intent to deceive. *Id.* at 267–73. The Individual attributed his difficult financial circumstances to periods of unemployment, the most recent of which occurred after the Individual resigned in lieu of termination due to unexcused absences, and represented that he was working to resolve his delinquent debts. *Id.* at 267–68, 273. The Individual ultimately retained his access authorization. *See* Tr. at 34.

In 2021, the Individual had a personal loan (Personal Loan) referred to collections. Ex. 6 at 34; Tr. at 10. In 2023, the collections agency to which the Personal Loan had been sold obtained a civil judgment against the Individual. Ex. 7 at 41. In 2024, a credit card debt (Credit Card Debt) the Individual owed was referred to collections. Ex. 6 at 34; Tr. at 22 (indicating that he had obtained the credit card "trying to rebuild [his] credit" but "was not able to make [] monthly payments").

In addition to the civil judgment involving the Personal Loan, four judgments were entered against the Individual in connection with unpaid rent from 2014 to 2024. Ex. 7 at 41–42; Tr. at 12, 15, 17, 19; *see also* Tr. at 15–16, 38 (attributing one of the rent arrears to financial difficulties stemming from medical expenses for his son in 2023). The most recent of these judgments, entered in 2024, arose after the Individual failed to pay the final rent payment to a landlord due to his mistaken belief that a hardship assistance program would make the payment on his behalf. Ex. 7 at 41; Tr. at 12–13.

At various times, the Individual took out student loans in furtherance of his pursuit of an associate's degree. Tr. at 23; Ex. 6 at 35–36. During the COVID-19 pandemic, the Individual's payments on the student loans were deferred. Tr. at 23–24. However, when repayment resumed, the Individual did not make payments and eventually each student loan fell one hundred eighty or more days past due. Tr. at 23; Ex. 6 at 35–36; *see also* Tr. at 24 (testifying that he "reached out once" to the student loan servicer regarding "debt forgiveness" but did not fill out forms or follow instructions he was provided by the student loan servicer).

B. Individual's Failure to Report

On June 11, 2025, the Individual completed and signed the 2025 QNSP. Ex. 10 at 147. He certified that his statements on the 2025 QNSP were "true, complete, and correct to the best of [his] knowledge and belief and [were] made in good faith." *Id.* In the section of the 2025 QNSP pertaining to financial matters, the Individual checked boxes marked "No" in response to questions asking whether, in the prior seven years, he had a judgment entered against him, had defaulted on any type of loan, had bills or debts turned over to a collection agency, had any account or credit card charged off, or had been over one hundred twenty days delinquent on any debt.[3] *Id.* at 143–44. He also denied that he was over one hundred twenty days delinquent on any debt as of the date he completed the 2025 QNSP. *Id.* at 144. At the hearing, the Individual testified that he did not disclose his financial delinquencies because "it was just too much to write down" and he assumed, based on his experience having previously submitted a QNSP, that the delinquencies would be identified and he would have the opportunity to answer questions about them orally. Tr. at 31–33; *see also id.* at 33 (testifying that he reasoned it "would have been a lot easier to explain it that way" as compared to identifying and disclosing his delinquencies himself in writing); *but see* Ex. 5 at 26–28 (claiming in response to the LOI that he lacked knowledge of debts he failed to disclose).

[3] At the hearing, the Individual offered an explanation for failing to disclose civil judgments on the 2025 QNSP related to a judge ordering the Individual and a landlord to "figure [] out" a remedy to the Individual's nonpayment of rent in one case. Tr. at 30. The Individual's reasoning as to why a judge's instruction would have absolved him from disclosing the existence of the civil judgment in that case, much less the other civil judgments, was not clear and I do not address it further herein.

A credit report obtained as part of the subsequent background investigation of the Individual revealed that four debts on which the Individual owed a cumulative balance of $23,266 had been charged off or referred to collections. Ex. 10 at 198–99. The credit report further revealed that the Individual had a vehicle repossessed and was one hundred eighty days past due on four student loans. *Id.* at 200–01.

On July 30, 2025, the Individual was interviewed by an investigator as part of the background investigation. *Id.* at 160. The Individual told the investigator that he "had some delinquent accounts that went to collection . . . more than 7 years ago" and represented that he had no delinquent debts within the prior seven years. *Id.* at 166. The investigator then confronted the Individual with the delinquent debts revealed through the credit report. *Id.* at 167–69.

Subsequent to the Individual's interview with the investigator, the LSO reviewed records revealing the civil judgments entered against the Individual. Ex. 7. The Individual had been confronted with one of the civil judgments by the investigator but had not revealed the others. Ex. 10 at 174 (reflecting that the Individual was confronted with the most recent civil judgment and did not disclose the others).

C. Individual's Recent Efforts to Address His Financial Difficulties

The Individual testified at the hearing that he had contacted the collection agency to which the Personal Loan had been assigned and attempted to negotiate a payment plan. Tr. at 11. However, the collection agency demanded payment in full, and the Individual took no further action. *Id.* The Individual had not contacted any of the creditors that obtained judgments against him for housing-related debts and denied knowledge of several of the debts underlying the judgments. *Id.* at 14, 20. He also did not contact the creditor that owned the Credit Card debt, testifying that he "forgot about that one." *Id.* at 22. Regarding his student loan debts, the Individual testified that he had not contacted the student loan servicer. *Id.* at 23.

The Individual denied that he had pursued credit counseling or sought other assistance in addressing his financial situation. *Id.* at 25–26. Although the Individual receives VA disability benefits and his wife is employed, he testified that his household income was barely sufficient to cover expenses. *Id.* at 26–27; *see also id.* at 28 (indicating that the Individual and his wife have four minor children). The Individual attributed his household's financial difficulties to "month-to-month expenses that just pop up out of nowhere" such as vehicle repairs or "a hospital visit." *Id.* at 28. Other than a period of unemployment that ended in 2017 and a major medical expense involving his son in 2023, the Individual denied having incurred any major expenses that would have affected his financial stability. *Id.* at 39–40. The Individual provided no documentation concerning his financial situation or the status of any of his delinquent debts.

V. ANALYSIS

A. Guideline E

Conditions that could mitigate security concerns under Guideline E include:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by advice of legal counsel or of a person with professional responsibilities for advising or instructing the individual specifically concerning security processes. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that contributed to untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur;

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress;

(f) the information was unsubstantiated or from a source of questionable reliability; and

(g) association with persons involved in criminal activities was unwitting, has ceased, or occurs under circumstances that do not cast doubt upon the individual's reliability, trustworthiness, judgment, or willingness to comply with rules and regulations.

Adjudicative Guidelines at ¶ 17.

The Individual was confronted by the investigator with his omissions on the 2025 QNSP and did not reveal them of his own accord. Even then, the Individual did not reveal the full extent of his civil judgments, which were discovered later. The first mitigating condition is therefore inapplicable. *Id.* at ¶ 17(a).

The second mitigating condition is irrelevant to the facts of this case as the Individual did not claim to have relied on the advice of counsel or another representative in completing the 2025 QNSP. *Id.* at ¶ 17(b).

Had the LSO relied on the Individual's representations on the 2025 QNSP, it would not have learned of his distressed financial circumstances and the significant concerns they presented under Guideline F. Accordingly, the omissions were not minor. Moreover, the Individual's omissions on the 2025 QNSP and their subsequent development through the background investigation process were a virtual facsimile of the events that transpired following the Individual's submission of the 2017 QNSP. Considering that the Individual apparently did not learn from that experience that he should fully disclose derogatory financial information on the 2025 QNSP, I find that the passage of time and circumstances under which the Individual omitted information from the 2025 QNSP do not suggest that the Individual's lack of forthcomingness will not recur. *See* 10 C.F.R. § 710.7(c) (requiring consideration of, among other things, the "circumstances surrounding the conduct" and "other pertinent behavioral changes" in applying the mitigating conditions). Furthermore, the unsatisfactory explanation for his omissions that the Individual offered at the hearing, that he was unwilling to go through the exercise of listing his numerous delinquencies on the 2025 QNSP because he believed he would have the opportunity to relay them orally to the investigator, is obviously untrue. The Individual was given the opportunity to volunteer his omissions to the investigator but did not do so and was confronted. This suggests that the Individual was untruthful regarding his motivations at the hearing and that the concerns presented by the Individual's responses on the 2025 QNSP are ongoing. *See id.* (requiring consideration of "the circumstances surrounding the conduct," the "frequency and recency of the conduct," and "the likelihood of continuation or recurrence"). For these reasons, I find the third mitigating condition inapplicable. Adjudicative Guidelines at ¶ 17(c).

The fourth mitigating condition is inapplicable because the Individual has not sought counseling and, even if he had, it is apparent from the Individual's statements at the hearing that he has not accepted responsibility for the seriousness of omitting information from the 2025 QNSP. *Id.* at ¶ 17(d).

The remaining mitigating conditions are irrelevant because the LSO did not allege that the Individual had engaged in conduct that placed him at special risk of exploitation, manipulation, or duress, the LSO did not rely on unsubstantiated information, and the LSO did not allege that the Individual associated with persons engaged in criminal conduct. *Id.* at ¶ 17(e)–(g).

For the aforementioned reasons, I find that none of the mitigating conditions are applicable to the facts of this case. Accordingly, the Individual has not resolved the security concerns asserted by the LSO under Guideline E.

B. Guideline F

Conditions that could mitigate security concerns under Guideline F include:

(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, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances;

(c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control;

(d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts;

(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;

(f) the affluence resulted from a legal source of income; and,

(g) the individual has made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

Id. at ¶ 20.

The Individual's financial problems are ongoing, have persisted for many years, and are attributable to the Individual's ordinary, day-to-day living expenses exceeding his income. Therefore, the first mitigating condition is not applicable. *Id.* at ¶ 20(a).

The Individual identified two events – a short-term loss of employment that ended in 2017 and a medical event related to his son in 2023 – that may have incidentally contributed to his financial difficulties. However, he himself acknowledged that his financial difficulties were primarily attributable to his household expenses regularly exceeding his income. Moreover, the Individual did not bring forth any evidence of having sought to reduce expenses, negotiate with creditors, or otherwise act responsibly to address his financial difficulties. Thus, the second mitigating condition is not applicable. *Id.* at ¶ 20(b).

The third mitigating condition is not applicable because the Individual does not claim to have pursued financial counseling and has not brought forward any evidence that his financial difficulties are under control. *Id.* at ¶ 20(c).

The fourth mitigating condition is inapplicable because the Individual brought forth no evidence of having made arrangements with any of his creditors or of having adhered to any such arrangements. *Id.* at ¶ 20(d).

The fifth mitigating condition is inapplicable because the Individual brought forth no evidence of having disputed any of his delinquent debts or of having any reasonable basis to do so. *Id.* at ¶ 20(e).

The remaining mitigating conditions are not applicable because the LSO did not allege that the Individual displayed unexplained affluence or failed to comply with his obligations to file tax returns or pay taxes. *Id.* at ¶ 20(f)–(g).

For the aforementioned reasons, none of the mitigating conditions are applicable. Accordingly, the Individual has not resolved the security concerns asserted by the LSO under Guideline F.

VI. CONCLUSION

In the above analysis, I found that there was sufficient derogatory information in the possession of DOE to raise security concerns under Guidelines E and F of the Adjudicative Guidelines. After considering all the relevant information, favorable and unfavorable, in a comprehensive, common-sense manner, including weighing all the testimony and other evidence presented at the hearing, I find that the Individual has not brought forth sufficient evidence to fully resolve the security concerns asserted by the LSO. Accordingly, I have determined that the Individual's access authorization should not be restored. This Decision may be appealed in accordance with the procedures set forth at 10 C.F.R. § 710.28.

Phillip Harmonick
Administrative Judge
Office of Hearings and Appeals