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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: June 3, 2025)
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Case No.: PSH-25-0136

Issued: November 4, 2025

Administrative Judge Decision

Erin C. Weinstock, Administrative Judge:

This Decision concerns the eligibility of XXXXXXXXXXXXXXXX (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 access authorization in connection to her employment with a DOE contractor. Exhibit (Ex.) 1 at 6.² In March 2025, the Individual completed a Questionnaire for National Security Positions (QNSP). Ex. 4. In her QNSP, the Individual reported that she had failed to file her Federal and state tax returns for the tax years 2020, 2021, 2022, and 2023. *Id.* at 61–62.

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

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 References to the Local Security Office's (LSO) exhibits are to the exhibit number and the Bates number located in the top right corner of each exhibit page.

The Individual exercised her right to request an administrative review hearing pursuant to 10 C.F.R. Part 710. Ex. 2 at 10. 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 six exhibits (Ex. 1–6). The Individual submitted seventeen exhibits (Ex. A–Q). The Individual testified on her own behalf, and no other witnesses were called. Hearing Transcript, OHA Case No. PSH-25-0136 (Tr.).

II. THE SECURITY CONCERNS

Guideline F, under which the LSO raised security concerns, relates to security risks arising from financial concerns. “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. Conditions that may raise a security concern include “failure to file . . . annual Federal, state, or local income tax returns . . . as required.” *Id.* at ¶ 19(f). In citing Guideline F, the LSO relied upon the Individual’s admission that she had failed to file her Federal and state tax returns for 2020, 2021, 2022, and 2023. Ex. 1 at 5. The information cited by the LSO justifies its invocation of Guideline F. *See* Adjudicative Guidelines at ¶ 19(f).

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 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 their eligibility for an access authorization. The Part 710 regulations are drafted to permit the introduction of a very broad range of evidence at personnel security hearings. Even appropriate hearsay evidence may be admitted. *Id.* at § 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

The Individual had a daughter in 2018. Tr. at 12. At that time, she lived in State A near her father, and worked for a DOE contractor (Contractor A) in that state. *Id.* at 12–13. Her father helped to support the Individual raising her daughter as a single mother. *Id.* Around 2019, one of the Individual’s old managers reached out to her about a management position for a different DOE contractor (Contractor B) in State B. *Id.* at 13. The Individual started that new position in State B on March 2, 2020. *Id.* Shortly after the Individual arrived in State B, the COVID-19 pandemic began. *Id.* The Individual did not have any community in her new state, was living in temporary housing, and her daughter’s daycare was closed. *Id.* Shortly after moving to State B, the Individual got permission to move back to State A, where she stayed at a friend’s home while teleworking. *Id.* at 13–14. Because there were still no childcare options for the Individual’s daughter in State A and she was still teleworking, the Individual was given permission to move to State C, where her daughter’s father’s parents could watch her daughter while she was working. *Id.* at 14. Around January 2021, Contractor B asked employees to return to in-person work in State B, so the Individual moved back to State B. *Id.* at 14–15. The Individual contacted her certified public accountant (CPA) around the time that she was supposed to file her taxes for 2020 and told him that she needed an extension. *Id.* at 20–21. Her CPA told her that the IRS had automatically extended everyone’s tax return filing deadline due to the COVID-19 pandemic. *Id.* at 21. After getting that information from her CPA, the Individual forgot to follow up and file her tax returns. *Id.*

In early 2021, the Individual was recruited for a higher paying managerial position with a third DOE contractor (Contractor C) in a different city in State B. *Id.* The Individual decided to move again and began working for Contractor C around June of 2021. *Id.* at 15. Around 2022, the Individual also began the process of taking her daughter’s father to court in order to get child support. *Id.* at 19. This process took about eighteen months. *Id.* The Individual stayed in the managerial position with Contractor C for about four years, but eventually she determined that the long commute the job required was too overwhelming on top of being a single mom and living away from her family. *Id.* at 17. In July of 2024, the Individual took a pay cut to move to a job with Contractor C where she was not a manager and could work remotely from State A near her family and support network. *Id.* at 17–18.

In early 2025, the Individual was asked to complete a QNSP as a part of a standard reinvestigation of her access authorization. *Id.* at 42. When filling out that form, the Individual disclosed that she had not filed her Federal or state tax returns for 2020, 2021, 2022, and 2023. Ex. 4 at 61–62. The Individual testified that each year after the 2020 tax return filing deadline, she would tell herself that she was going to take the steps necessary to get caught up, but she was overwhelmed by the thought of contacting all of her old employers to get her W-2s and collecting mortgage statements and other documents and ultimately decided she would get it all done “next time.” Tr. at 21–22. She has since learned that she could have used a tax transcript from the IRS website if she did not have copies of her past W-2s. *Id.* At the time, her tax returns were not a priority, and if she had remembered that it was important for her access authorization, she would have made it one. *Id.* at 22.

When the Individual filled out the QNSP, she realized that her failure to file her tax returns could present a problem. *Id.* at 42. Subsequently, she contacted the CPA that she had used to help her file her taxes prior to 2020, and she gathered the documents she needed to give to the CPA to file

both her state and Federal tax returns for all of the years she had missed. *Id.* The Individual paid the CPA for all of the years in full, and he filed the tax returns on her behalf. *Id.*; Ex. D (mail log from the Individual's CPA showing that the Individual's state and Federal tax returns for 2020 and 2021 had been mailed to the IRS in April 2025); Ex. K (2021 IRS record of account showing that the Individual's tax return had been received); Ex. F (2022 IRS record of account showing that the Individual's tax return had been received); Ex. G (2023 IRS record of account showing that the Individual's tax return had been received); Ex. I (letter from State B that she was in good standing with the state's tax authorities at the time of the hearing).

The Individual owed the federal government \$4,960 for her 2020 tax return. Ex. A at 2. The Individual testified that she believes this is because when she left her position with Contractor A in early 2020, she had a 401(k) loan out, and that loan was automatically "cashed out" of her 401(k) balance when she left Contractor A's employment, which led to a higher tax burden. Tr. at 23. The 401(k) loan had originally been taken out around 2015 to pay for fertility treatments with the Individual's ex-husband. *Id.* at 25. At the time, the Individual did not think about the tax implications of a withdrawal from her 401(k). *Id.* at 26. The Individual paid the 2020 tax return balance on August 27, 2025. *Id.*; Ex. B at 1 (printout from the IRS website showing the Individual made a payment of \$4,960 on August 27, 2025, related to her tax return for tax year 2020). In a letter dated September 29, 2025, the IRS informed the Individual that she owed the IRS approximately \$3,565 in penalties and interest as a result of the delay in her filing her 2020 Federal tax return. Ex. L.

The federal government owed the Individual \$3,232 for her 2021 Federal tax return. Ex. K at 1 (Record of account showing the Individual was owed a refund of \$3,232).³ For the Individual's 2022 Federal tax return, she owed the federal government \$4,297, and she has paid that amount in full. Ex. F at 1, 5.⁴ The Individual was owed \$3,325 after filing her 2023 Federal tax return. Ex. G at 6. For her 2024 Federal tax return, the Individual was issued a refund of \$1,679. Ex. H at 1.

As to the Individual's state tax returns, she has received a refund for her 2024 tax return. Tr. at 31. According to her state personal income tax returns, she is owed a refund from the state for 2020, 2021, and 2023, totaling \$2,175, but she has not received that money. *Id.* at 31–32; Ex. Q (correspondence from the Individual's CPA detailing the status of her state taxes). According to her state personal income tax return for 2022, the Individual owes the state \$872. Ex. Q. However, the website for the tax authority for the state does not show that she owes any taxes, and she has not received a bill from the state. Tr. at 32. She is unsure if the state plans to subtract the amount

³ The record of account the Individual originally generated on the IRS website said that the Individual was owed a refund of \$1,092. Ex. E at 6; Tr. at 29. At some point, the Individual called the IRS to try to make sure she was handling her taxes correctly. Tr. at 30. The IRS employee she spoke with told the Individual that the numbers she had were more accurate than what was online and informed the Individual that she owed additional money. *Id.* Therefore, the Individual made an additional payment of \$540. *Id.*; Ex. B at 1. After the hearing, the Individual received a letter from the IRS informing her that a correction had been made to her 2021 1040, and now she was owed a refund of \$3,232. Ex. J (letter from IRS); Ex. K (updated record of account reflecting the new refund amount).

⁴ The IRS automatically transferred \$3,325 that the Individual was owed from the tax return for her 2023 taxes to cover part of what the Individual owed for 2022. Ex. F at 1; Ex. G at 1. The Individual made additional payments on May 9, 2025, and May 16, 2025. Ex. B at 1; Ex. F at 1–2. Due to information that she received during phone conversations with IRS employees, the Individual ultimately overpaid her taxes and now has a credit of \$502 related to her 2022 Federal tax return. Tr. at 37–38; Ex. F at 1.

that she owes from her refunds or if they will ask her to pay the amount separately at a later date. *Id.* The Individual is financially stable and will be able to pay anything she owes. *Id.* at 44–45.

The Individual testified that she feels like her life is much calmer now that she is able to telework and lives near her family. *Id.* at 46–47. By moving back to State A, she has gained support from her long-term boyfriend, her father, her father’s girlfriend, and her boyfriend’s father, who are all able and willing to support her in raising her daughter. *Id.* at 49. While she did not have financial issues before, she believes that the move will also improve her financial situation because she will now be able to share bills with her boyfriend. *Id.*

In her current position, she has fewer responsibilities and no longer manages other employees, which has significantly decreased her stress levels. *Id.* at 47. This situation has taught her that she needs to remember that managing her taxes is a responsibility that needs to be a priority so she can continue her work with DOE. *Id.* at 50.

V. ANALYSIS

An individual may be able to mitigate security concerns under Guideline F through the following conditions:

- (a) the behavior happened so long ago, was so infrequent, or it happened under such unusual circumstances that it is unlikely to recur or does not cast doubt on the individual’s current reliability, trustworthiness, or 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 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 action to solve the issue;
- (f) the affluence resulted from a legal form or income; and

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

Adjudicative Guidelines at ¶ 20.

First, mitigating factors (b), (d), (e), and (f) do not apply here. There is no allegation that the Individual had a financial problem beyond her control, had any past due debts, or had any unexplained affluence. Further, mitigating factor (c) is inapplicable because the Individual has not alleged that she is receiving financial counseling or that she has a problem that would require such counseling.

As to mitigating factor (a), the Individual failed to file her state and Federal tax returns for four consecutive tax years, from 2020 to 2023. When it came time to file her tax returns for 2020 and 2021, in early 2021 and early 2022, respectively, the Individual explained that she was struggling to meet her obligations as a single mother and first-time manager during a global pandemic while moving several times. While she was able to provide unusual circumstances that made it difficult for her to meet her tax obligations for the first two years in that time period, there were no such circumstances present when it came time for her to file her tax returns for the previous years in early 2023 and 2024. At that point, she had been a manager for several years and there was no longer significant upheaval related to the COVID-19 pandemic, so I cannot say that her circumstances around filing time in 2023 and 2024 were unusual. Finally, as the conduct was both recent and repeated, I cannot find that the security concerns are mitigated pursuant to mitigating factor (a).

As to mitigating factor (g), the Individual has provided documentation showing that she filed all of her required state and Federal tax returns with the appropriate tax authorities. However, it is not clear that she has paid the total amount owed to either the Federal government or to the tax authorities in State B. As to the Individual's Federal tax returns, the documentation that the Individual provided showed that she has paid the amounts owed for her 2020 Federal tax return and 2022 Federal tax return. However, her documentation also showed that the Individual had not paid the penalties that she owed for late filing or the interest that she owed on her 2020 Federal tax return. Without evidence of that payment, I cannot find that she has made arrangements to pay the amount owed. As to her state tax returns, the Individual provided a letter of good standing issued by State B as well as documentation from her CPA. However, that documentation indicated that the Individual owed State B a balance as a result of her 2022 state tax return. At the hearing the Individual testified that she has not paid that money to State B's tax authorities. As such, I cannot find that the Individual has made the necessary arrangements to pay her state tax obligations. As such, the Individual has not mitigated the security concerns pursuant to mitigating factor (g).

Therefore, I find that the Individual has not mitigated the security concerns raised 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 Guideline 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 resolve the security concerns set forth in the Summary of Security Concerns. 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.

Erin C. Weinstock
Administrative Judge
Office of Hearings and Appeals