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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 10, 2025) Case No.: PSH-25-0143
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Issued: April 1, 2026

Administrative Judge Decision

Noorassa A. Rahimzadeh, Administrative Judge:

This Decision concerns the eligibility of XXXXXXXXXXXXXXXXXXXX (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

As part of a routine reinvestigation of the Individual's eligibility for access authorization, the Individual, a holder of an access authorization, completed, signed, and submitted a Questionnaire for National Security Positions (QNSP) in April 2024. Exhibit (Ex.) 6.² When asked in the QNSP whether he had "failed to file or pay [f]ederal, state, or other taxes when required by law or ordinance[.]" the Individual marked "yes." *Id.* at 65. He further provided that he failed to file federal and state income taxes for tax years 2021, 2022, and 2023 due to "[m]arital [s]eparation" and that he owed an estimated \$2,000 in taxes. *Id.* at 65–66. He explained that he was "in contact with a tax expert who [was] helping [him] figure out what [his] options are and what steps [he] need[s] to take to get current with [his] taxes." *Id.*

The Individual subsequently underwent an enhanced subject interview (ESI) conducted by an investigator in November 2024. Ex. 8 at 140. The Individual indicated during the ESI that he forgot

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 DOE 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 DOE.

to list tax year 2020 and confirmed that he should have included that tax year as a year for which he had failed to file federal or state taxes. *Id.* at 142. Although he expected to receive a refund once he did file his unfiled income taxes, he estimated that he owed \$2,000 “for each” listed tax year “because of tax penalties for not filing” in a timely manner. *Id.*

At the behest of the Local Security Office (LSO), the Individual completed a Letter of Interrogatory (LOI) in March 2025. Ex. 5. In the LOI, he answered questions pertaining to his federal and state income taxes. *Id.*

The LSO began the present administrative review proceeding by issuing a letter (Notification Letter) to the Individual in which it notified him that it possessed reliable information that created a substantial doubt regarding his continued eligibility for access authorization. In a Summary of Security Concerns (SSC) attached to the Notification Letter, the LSO explained that the derogatory information raised security concerns under Guideline F (Financial Considerations) of the Adjudicative Guidelines. Ex. 1. The Notification Letter informed the Individual that he was entitled to a hearing before an Administrative Judge to resolve the substantial doubt regarding his eligibility to hold a security clearance. *See* 10 C.F.R. § 710.21.

The Individual requested a hearing, and the LSO forwarded the Individual’s request to the Office of Hearings and Appeals (OHA). The Director of OHA appointed me as Administrative Judge in this matter. At the hearing I convened pursuant to 10 C.F.R. § 710.25(d), (e), and (g), the Individual testified on his own behalf. *See* Transcript of Hearing, OHA Case No. PSH-25-0143 (hereinafter cited as “Tr.”) The Individual also submitted sixteen exhibits, marked Exhibits A through P. The DOE Counsel submitted eight exhibits marked as Exhibits 1 through 8.

II. Notification Letter

Guideline F provides that “[f]ailure 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 could raise a security concern include an individual’s “failure to file . . . annual Federal, state, or local income tax returns or failure to pay annual Federal, state, or local income tax as required[.]” *Id.* at ¶ 19(f). Under Guideline F, the LSO alleged that in the April 2024 QNSP, the November 2024 ESI, and the March 2025 LOI, the Individual admitted that he failed to file his federal and state income tax returns for tax years 2020, 2021, 2022, and 2023. Ex. 1 at 5. Further, he admitted in the March 2025 LOI that he owed approximately \$8,800 to the state tax authority for tax years 2021 through 2023. *Id.* He also admitted in the LOI that he was “not sure if he owes any money” in federal income taxes. *Id.* The LSO’s concerns are justified.

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 Department 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).

The 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). The individual is afforded a full opportunity to present evidence supporting his 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 and Hearing Testimony

The Individual explained in his March 2025 LOI that he had not yet filed his state or federal income tax returns for tax years 2020 through 2023. Ex. 5 at 18–19. He indicated that he was “in the process of working with a professional” certified public accountant (CPA), but that because “it costs \$3,000 per tax year to file[,]” he was “trying to get financing.”³ *Id.* At the time he completed the LOI, he was “not sure if [he] owe[d] money” to the Internal Revenue Service (IRS). *Id.* However, he confirmed that he did owe the state tax authority an outstanding amount in income taxes, stating that he owed approximately \$3,000 in income taxes for every year. *Id.* at 19. More specifically, he indicated that he had satisfied his outstanding income tax obligation for tax year 2020 and that he was “in the process of paying 2021” via a payment plan.⁴ *Id.* At the time that he completed the LOI, his outstanding 2021 tax obligation to the state tax authority was \$2,800, and he had begun making payments on the outstanding amount in February 2025 via monthly automatic debit from his bank account. *Id.* He anticipated the outstanding amount being satisfied by May 2026. *Id.* Later in the LOI, the Individual stated that the state tax authority had not yet notified him of his outstanding tax obligation for tax years 2022 and 2023 but admitted that he had not contacted the appropriate authority to arrange a payment plan, if necessary. *Id.* at 20.

³ The Individual testified that he had to withdraw money from his 401(k) to pay the CPA’s fees. Tr. at 19, 42–43, 45. He explained that he was eventually charged a total of \$6,000 to file all of his outstanding taxes. Tr. at 19–21; Ex. I; Ex. J.

⁴ At the hearing, the Individual explained that the state tax authority “handles back taxes[.]” Tr. at 34. He indicated that if one does not file state income taxes, within two or three years, the state will assess taxes against one as though he/she were filing single, without deductions. *Id.* at 35–36. He, accordingly, owed the state tax authority approximately \$3,000 for tax year 2020, which he testified that he paid. *Id.* at 35. The state tax authority did the same for tax year 2021 but applied his 2024 tax refund towards satisfy the outstanding amount owed. *Id.* Payment statements indicate that the Individual also made payments in installments, totaling \$1,800, to satisfy the outstanding amount owed for tax year 2021. Ex. O. The same exhibit shows that he paid a total of \$1,931.84 in installments to satisfy the outstanding amount owed for tax year 2020. *Id.*

At the hearing, the Individual explained that he failed to file the aforementioned taxes because he was “having marital troubles” and he was “trying to . . . work on [his] marriage.”⁵ Tr. at 12. Accordingly, he “lost sight of . . . what [he] should have been doing.” *Id.* He went on to explain that both he and his wife own businesses for which they also make tax filings. *Id.* at 13. He was trying to get tax documents from his wife, and at some point, it “got away from [him].” *Id.* It also became expensive to file taxes jointly. *Id.*

At the time of the hearing in March 2026, the Individual testified that he had filed his state and federal income tax returns for tax years 2020 through 2024. *Id.* at 14, 31. He provided an IRS tax transcript to corroborate that he had filed his federal income tax return for tax year 2023.⁶ Ex. M. For tax year 2023, he was entitled to a refund in the amount of approximately \$6,800 for his federal income taxes, which he had not yet received. *Id.*; Tr. at 14. He acknowledged that it is possible that he did not receive the refund because it is being applied to outstanding amounts owed to the IRS. Tr. at 14–15. He also testified that although he had filed his state and federal income tax returns for tax years 2020, 2021, and 2022, he was not able to secure an IRS tax transcript for those years. *Id.* at 15–16, 25–26. He was also not able to secure some equivalent document for his state tax authority to evidence the successful filings.⁷ *Id.* at 29. The Individual, however, provided an email from the CPA indicating, “[p]lease allow this email to be proof [of filing.]” and attached a screenshot of an internal filing system indicating that the income tax returns in question were filed in March 2026. Ex. K; Ex. L.

Regarding any outstanding amount owed in federal income taxes for tax years 2020 through 2022, the Individual testified that he does not know whether he owes anything to the IRS. *Id.* at 27. He is “waiting until . . . everything gets settled and the IRS can get [him] a final number” so he can decide whether he needs to establish a payment plan. *Id.* A February 2026 email from the CPA indicates that in federal income taxes, the Individual owes \$1,249 for 2020, \$6,258 for 2021, and \$3,246 for 2022. Ex. P. The same email indicates that in state income taxes, the Individual owes \$725 for 2020, and \$35 for 2021. *Id.*

V. Analysis

Conditions that could mitigate Guideline F concerns 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

⁵ The Individual and his wife separated around 2022. Tr. at 13.

⁶ Although not a stated concern, the Individual also provided his 2024 IRS tax transcript to show that he had filed his 2024 federal income tax return. Ex. N.

⁷ The SSC did not list the Individual’s unfiled business taxes as a concern, but the Individual provided copies of the tax filings. Ex. E; Ex. F; Ex. G; Ex. H. He no longer owns the business. Tr. at 16.

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 debt;
- 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 with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

Adjudicative Guidelines at ¶ 20.

Although the Individual testified that he failed to file his federal and state income taxes for tax years 2020 through 2023 due to marital issues, he also noted that he was officially separated from his wife in 2022. This would lead one to conclude that he could have, at the very least, had an easier time filing his taxes prior to 2022. Further, although he indicated that he was having difficulty securing tax documents from his wife, so that they could file jointly, he did not provide any information that would indicate that he was precluded from filing his income taxes separately, which also appears to have been an option. Further, the Individual was on notice that his unfiled taxes had become an issue for the LSO approximately two years before he filed them. He understood his obligation but failed to file until after he completed the LOI. Therefore, I cannot conclude that he acted responsibly under the circumstances. The Individual has failed to mitigate the stated concerns pursuant to mitigating factor (b).

Based on the information provided by the CPA, the Individual's federal tax obligations for years 2020, 2021, and 2022 and his state tax obligations for years 2020 and 2021 remain outstanding. Under 10 C.F.R. § 710.7(c), I am required to consider, among other things, "the likelihood of continuation or recurrence[.]" While the Individual stated that he initially fell behind on filing his taxes due to separation from his wife, he learned that the matter of his unfiled taxes was cause for concern in 2024. He stated that although he knew that it was a concern, he put off filing due to the cost. The fact that the Individual kept delaying the execution of the obligation, and did so for years, does not encourage me to believe that the chance of recurrence is minimal. Rather, I am inclined to believe that the chance of recurrence is high, and further, his behavior casts doubt on his compliance with other rules. I cannot conclude that 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. The Individual has failed to mitigate pursuant to mitigating factor (a).

Although I do not have tax transcripts for every tax year, I am willing to accept, based on the other evidence in the record and the Individual's testimony, that the Individual filed his outstanding state and federal income tax returns. However, as indicated above, by his own calculation the Individual owes thousands in outstanding taxes, and the full amount has yet to be determined by the applicable tax authorities. The Individual has not yet endeavored to create a payment plan to satisfy those outstanding amounts. I cannot conclude that the Individual has mitigated the stated concerns pursuant to mitigating factor (g).

The SSC did not allege any outstanding amount owed to financial creditors, and further, the Individual has not sought any financial counseling. Mitigating factors (c) and (d) are not applicable. The Individual did not dispute any outstanding amount owed. Mitigating factor (e) is not applicable. The SSC did not allege any affluence. Mitigating factor (f) is not applicable.

VI. Conclusion

For the reasons set forth above, I conclude that the LSO properly invoked Guideline F of the Adjudicative Guidelines. After considering all the evidence, both 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 Guideline F concerns set forth in the SSC. Accordingly, the Individual has not demonstrated that restoring his security clearance would not endanger the common defense and security and would be clearly consistent with the national interest. Therefore, I find 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.

Noorassa A. Rahimzadeh
Administrative Judge
Office of Hearings and Appeals