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United States Department of Energy
Office of Hearings and Appeals

In the Matter of: Personnel Security Hearing	)	
	)	
Filing Date: March 24, 2026	)	Case No.: PSH-26-0080
	)	
	)	

Issued: August 21, 2026

Administrative Judge Decision

Andrew Dam, Administrative Judge:

This Decision concerns the eligibility of XXXXXXXXXXXXXXXX (the Individual) to hold 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 granted.

I. BACKGROUND

The Individual applied for access authorization in connection with employment with a DOE contractor. Exhibit (Ex.) 1 at 6.[2] During the LSO's investigation, the Individual disclosed owing various amounts of tax liability for tax years 2014, 2015, and 2016 to the Internal Revenue Service (IRS). Ex. 10 at 133 (July 2025 Questionnaire for National Security Positions (QNSP)); Ex. 12 at 207, 210 (investigator's notes from August 2025 Enhanced Subject Interview (ESI)); Ex. 8 at 75–76 (Individual's January 2026 Response to Letter of Interrogatory (LOI)) (January 2026 LOI Response); Ex. 7 at 70 (Individual's February 2026 Response to LOI) (February 2026 LOI Response). During her August 2025 ESI, the Individual told the investigator that she had not made payments on the tax liability since 2021 and that she would "contact the IRS to inquire and resolve this matter." Ex. 12 at 210. In her January 2026 LOI Response, the Individual told the LSO that she was "in the process of working with the IRS to remove penalties" and that she planned on paying the amount owed in full. Ex. 8 at 75–76. However, in her February 2026 LOI Response,

[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.

when asked to provide "specifics as to where in the process" she was "in working with the IRS[,]" she responded that she was "[n]ot in an active process." Ex. 7 at 66. With her February 2026 LOI Response, the Individual provided an undated screenshot from the IRS's website, reflecting a total liability of $83,840.97. *Id.* at 70.

Due to the unresolved security concerns associated with her failure to pay her tax liability, the LSO subsequently issued the Individual a Notification Letter informing her it possessed reliable information creating substantial doubt regarding her eligibility to hold a security clearance. Ex. 1 at 6–8. In an attachment to the letter entitled Summary of Security Concerns (SSC), the LSO explained that the derogatory information raised security concerns under Guideline F of the Adjudicative Guidelines. *Id.* at 5.

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 subsequently conducted an administrative review hearing. The DOE submitted twelve numbered exhibits (Ex. 1–12) into the record. The Individual submitted fifteen exhibits titled Exhibits A through O (Ex. A–O).[3] The Individual testified on her own behalf. *See* Transcript of Hearing, OHA Case No. PSH-26-0080 (hereinafter cited as "Tr.") at 3. The LSO called no witnesses. *Id.* at 6.

II. NOTIFICATION LETTER AND THE ASSOCIATED SECURITY CONCERNS

The LSO cited Guideline F (Financial Considerations) of the Adjudicative Guidelines as the basis for its substantial doubt regarding the Individual's eligibility for access authorization. Ex. 1 at 5. "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 . . . information." Adjudicative Guidelines at ¶ 18. Among the conditions set forth in this guideline that could raise a disqualifying security concern are the "failure to pay annual [f]ederal . . . income tax as required" and a "history of not meeting financial obligations." *Id*. at ¶¶ 19(c), (f). The SSC cited the Individual's failure to pay her total liability of $83,840.97 for tax years 2014, 2015, and 2016. Ex. 1 at 5. The SSC also cited the Individual's failure to make any payments since March 2021 and her lack of progress in contacting the IRS, despite repeated assurances throughout the investigative process that she would do so. *Id.* The cited information justifies the LSO's invocation of Guideline 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

[3] The Individual submitted Exhibits A through N as one PDF file and Exhibit O as a standalone PDF file. References to the Individual's exhibits are to the Exhibit number and the PDF page number.

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 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.* § 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 Background and Failure to Make Tax Payments

The Individual met her ex-husband (Ex-Husband) when she was 18 years old. Tr. at 24. The Individual testified that she has filed tax returns since the age of 18. *Id.* at 36. The Individual married her Ex-Husband in 1995. Ex. 10 at 109. The Individual, born in 1974, would have been 21 at the time of their marriage. *Id.* at 98. The couple separated in 2024, and their divorce was finalized in March 2026. Tr. at 18; Ex. H at 31–33.

During their marriage, the Individual relied on her Ex-Husband in making all their financial decisions: "It wasn't a great marriage, so any time I would bring up any type of opinions on the finances, it would turn into arguments . . . ." Tr. at 15; *see also* Ex. 7 at 67. This control over their finances extended beyond the handling of their tax filings and liabilities. Tr. at 72–73 (Individual's testimony that she would rely on the Ex-Husband to make credit card and mortgage payments and that she would ask the Ex-Husband for "an allowance" whenever she needed money). However, the Individual testified that in other contexts she knew not to defer to her Ex-Husband. Tr. at 42–43 (stating that she knew the difference between "right and wrong" in other contexts and would argue with him in other contexts), 79–80 (stating that she would have refused to engage in illegal activity if hypothetically her Ex-Husband would have made such a suggestion).

For tax years 2014, 2015, and 2016, the Individual followed her Ex-Husband's instructions when completing W-2s and allowed her Ex-Husband to set the withholdings from her paycheck. *Id.* at 14–15, 17, 38–39.[4] Because of how she and her Ex-Husband set their withholdings, the Individual and her Ex-Husband ultimately owed sizable joint tax liabilities for tax years 2014, 2015, and 2016. *Id.* She also explained that, during their marriage, her role in the filing of their tax returns

[4] References to "deductions" in the Individual's testimony clearly refer to "withholdings" given the Individual's testimony that she would complete and file her W-2 in accordance with her Ex-Husband's instructions. *See, e,g.,* Tr. at 38–39; *see also* Ex. 12 at 210 (August 2025 ESI notes reflecting that the Individual told the investigator that the debt was due to "incorrect withholding[s] throughout the year[s]").

was to simply sign the tax returns he prepared. *Id.* at 17. She admitted that she never reviewed her tax returns when she signed the tax returns. *Id.* at 35.[5] She testified that, at the time of signing her tax returns, she did not understand the seriousness of signing tax returns she had not reviewed. *Id.* at 36–37. At the time of the 2016 tax year, she would have been about 42. Ex. 10 at 98.

The Individual could not remember exactly when she first learned of her tax liability but explained that she must have known about it by tax year 2017—since she and her Ex-Husband had changed their withholdings by then so they would stop owing for those subsequent tax years. Tr. at 44–46. She testified that, at the time of owing the money, she had the impression that they owed a large sum of money: "I don't know exactly when, [but] I knew that we owed some money . . . . I know that it . . . seemed like a lot . . . ." *Id.* at 45. She estimated that the initial liabilities for tax years 2014, 2015, and 2016 were approximately $13,000; $25,000; and $28,000 respectively. *Id.* at 13. She recalled having discussions with her Ex-Husband about the amount of money they owed, but these were ultimately fruitless: "[S]omething he wanted [ ] to work on was [an] offer and compromise [with the IRS], and I would try to explain to him that because we owned properties and things that we weren't going to qualify, but he didn't want to pay them . . . ." *Id.* at 15–16. When asked about whether she had considered filing her tax returns separately from her Ex-Husband after those tax years, the Individual admitted that she had probably heard of the option of filing tax returns as "married filing separately" but testified it had never occurred to her to file her tax returns separately—even when her Ex-Husband's control and mismanagement over their tax documentation had resulted in their sizable joint tax liability. *Id.* at 69–70.[6]

Eventually, her Ex-Husband did contact the IRS, after which the IRS started garnishing a portion of the Individual's wages to pay down their tax debt. *Id.* at 16, 70–71; Ex. 12 at 210 (reporting that while employed with a prior employer she made $500 automatic payments towards the tax liability). It is unclear when these payments started; however, the payments ended in 2021 when she left that previous employer. Ex. 10 at 104–05. The Individual admitted that between 2021 and 2025, she and her Ex-Husband took no steps to pay the amount owed because they "didn't have the amount of money to pay the debt." Tr. at 71–72. She testified that she would bring this up to her Ex-Husband and they would "fight a lot about it." *Id.* at 72. When asked if it ever occurred to her to save money and to pay for the debt herself, she answered, "No." *Id.* When asked how she expected the tax liability to resolve itself without her taking personal responsibility for her finances, she admitted that she "very much [ ] left the ball in his [her Ex-Husband's] court" and acted with "almost . . . denial . . . ." *Id.*

b. Clearance Application and Representations Regarding Steps Taken

As stated above, the Individual and her Ex-Husband separated in 2024. Tr. at 18. The Individual received IRS correspondence dated March 18, 2024, informing her that she and her Ex-Husband owed $79,411.12. Ex. 7 at 71–73. However, the Individual made no effort to contact the IRS or to make payments because her "earnings at the time were insufficient . . . ." *Id.* at 66–67.

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[5] If she had exercised care in reviewing those tax returns she signed, she would have presumably discovered that her Ex-Husband's errors in calculating their W-2 withholdings had resulted in significant tax liability.

[6] The Individual began filing separate tax returns in tax year 2024. *See* Ex. M at 108.

The Individual submitted her QNSP in July 2025, wherein she self-disclosed an estimate of her large tax liability. Ex. 10 at 133, 140 (estimating approximately $80,000 in total past due tax liability). During her subsequent August 2025 ESI, she self-disclosed having taken no action to resolve her tax liability since leaving her previous employer in 2021. Ex. 12 at 210. She told the investigator that she herself would "contact the IRS to inquire and resolve this matter" and that she would "follow-up more closely with debts in the future." *Id.*

The Individual in her January 2026 LOI Response represented that payments still had not been made on the outstanding tax liability but that "we [the Individual and her Ex-Husband] . . . [were] in the process of working with the IRS to remove penalties" and selling two properties in the course of their divorce "to pay the amount owed to the IRS in full." Ex. 8 at 76. She indicated that she "now contro[s] [her] own finances and will stay current with all filings and payments." *Id.* at 78. When providing her January 2026 LOI Response, she certified that the contents were "correct and complete to the best of [her] knowledge and belief." *Id.* at 79.

Not even a full month later in February 2026, she provided another LOI Response wherein she was asked to provide further details on her efforts to work with the IRS. Ex. 7 at 66. In her February 2026 LOI Response she admitted that she was "[n]ot in an active process" with the IRS and explained that her Ex-Husband had been "in contact with a company . . . working with them to reduce the penalties" but that the Ex-Husband ultimately "decided to not move further with them." *Id.* She admitted that she had not asked the IRS for a settlement amount and had not contacted them about establishing a payment plan. *Id.* By February 2026, the total amount owed was $83,840.97. *Id.* at 70 (IRS website screenshot).

At the hearing, the Individual was asked why she would report in her January 2026 LOI Response that she and her Ex-Husband were working with the IRS—when in fact they had not been. Tr. at 52. In response, she stated, "That was accurate information as far as that's what I knew at the time." *Id.* When pressed for further clarification, she explained that she had not intended to mislead the LSO and that she had provided her January 2026 LOI Response in reliance on representations from her Ex-Husband. *Id.* at 53–55. She admitted that she had not taken steps to verify the accuracy of his statements. *Id.* at 53. When asked why she would rely on her Ex-Husband's representations, given their pending divorce and her experience with his poor financial responsibility, she admitted that it was a poor decision: "I can see 100 percent how it sounds, I really can, which is why I don't really have a valid answer for that." *Id.* at 55; *see also id.* at 85–86 ("I didn't have a reason not to trust him, but I guess I did have a reason not to trust him . . . ."). The Individual testified that "within the last few months" she had reached out to the IRS herself to get a better understanding of what the exact balance was. Tr. at 29.

c. Divorce, Sale of Property, and Payment to the IRS

The Individual and her Ex-Husband finalized their divorce in March 2026. Ex. H at 31–33. They also entered into a settlement agreement which provided the following terms:

> The parties have an outstanding IRS debt for Tax years 2014 ($11,092.42), 2015 ($34,936.50), and 2016 ($38,101.44). As of March 2, 2026, the total outstanding IRS debt for those three years totals $84,130.36. The parties agree this debt shall

> be split 50/50. The parties agree to jointly consult with a tax attorney/expert to determine if the outstanding IRS debt may be lowered. Once the parties have determined the final amount of the outstanding IRS debt to be paid to the IRS, the debt shall be paid from [ ] house sale proceeds . . . .

Id. at 38.

The Individual submitted proof that one of their houses sold and that she and her Ex-Husband received $141,145.89 in sale proceeds. Ex. J at 79–82. The Individual also submitted proof that the IRS received on June 1, 2026, a check for $85,550.40. Ex. O at 4 –5 (IRS website screenshot and 2026 tax account transcript accessed on July 27, 2026, reflecting receipt of the payment). The IRS had not allocated the lump sum payment to satisfy the respective tax years as of the date of the hearing. Tr. at 22.

d. Character Evidence

The Individual submitted her resume, a biography, a copy of her degree, a performance evaluation, and a workplace award as evidence of her good character and her professionalism. Ex. C at 14–17; Ex. D at 19; Ex. E at 21–25; Ex. F at 27; Ex. G at 29. She also provided character letters from a professional colleague, her daughter, and a friend—who all attest to her good character and are aware of the tax concerns underlying this hearing. Ex. B at 7–12. The Individual provided testimony indicating that she has no other delinquent debts and a credit report corroborating this. Tr. at 32; Ex. N at 113–28. The Individual asserted that the financial concerns could not recur because she is no longer married to her Ex-Husband, is now in control of her own finances, and will never let anyone control her financial situation ever again. Tr. at 55, 83–84.

V. ANALYSIS

Conditions that could mitigate a security concern 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 judgment;

(b) the conditions that resulted in the financial problem were largely beyond the person's control . . . 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 . . . ; 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;

(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.

Adjudicative Guidelines at ¶ 20.

As a preliminary matter, the cited security concerns are associated with the Individual's failure to pay federal taxes. Accordingly, mitigating conditions (d), (e), and (f) are inapplicable because the cited security concerns do not involve overdue or unresolved consumer debts or unexplained affluence, and the Individual does not dispute the legitimacy of her past-due tax debt.

Regarding mitigating condition (a), the behavior—failing to pay her substantial past-due tax liability—started in tax year 2014 and continued up until June 1, 2026. Accordingly, it cannot be said that the behavior was infrequent or long ago.

The behavior occurred under the following circumstances: the Individual's finances were essentially under the full control of her Ex-Husband over the course of her decades-long marriage, and she did not take initiative in her own financial situation while married. She testified that she did not defer to her Ex-Husband, however, in other contexts unrelated to her finances, and would express her disagreement with him. While I am sympathetic to the fact that her Ex-Husband insisted on full control of their finances, the Individual in this context chose to follow her Ex-Husband's directions for completing her own W-2s and signed tax returns without reading them which ultimately resulted in hefty tax liabilities that she became aware of by 2017. Despite that awareness, she continued to defer to her Ex-Husband, which resulted in the tax liability continuing as a decade-long delinquency. She took no initiative in resolving this tax liability even after she and her Ex-Husband separated—relying on her Ex-Husband's dubious representations that he would work with the IRS to resolve the matter—all despite her own experiences with his unreliability. These circumstances reflect poor judgment and unreliability. Given all the above, mitigating condition (a) does not apply.

Regarding mitigating condition (b), I cannot find that the conditions resulting in her financial problems were "largely beyond" her control nor that she had acted responsibly. While the Individual testified her Ex-Husband managed their finances, she ultimately had autonomy in the matter and failed to exercise such autonomy. She chose to defer to her Ex-Husband on the W-2 withholdings and chose to sign tax returns without reading them, essentially forgoing responsibility for discovering her tax liability and her Ex-Husband's errors. When she learned of the unpaid tax liability, she chose again to defer to her Ex-Husband in reaching out to the IRS to resolve the tax liability. Then, when assuring the LSO that she would handle the overdue unpaid taxes, she again chose to rely on her Ex-Husband in the resolution of this liability. This pattern reflects a lack of responsibility. Mitigating condition (b) does not apply.

No evidence was put forth regarding financial counseling, and I cannot find that mitigating condition (c) applies.

Regarding mitigating condition (g), the Individual has submitted proof that she made a lump sum payment to the IRS. The record reflects that a tax attorney or tax expert calculated that this lump sum payment was satisfactory to cover the full tax liability owed. Accordingly, mitigating condition (g) could apply.

Although the Individual has established the applicability of mitigating condition (g), the Adjudicative Guidelines provide that the mitigating conditions "*could*" mitigate security concerns under Guideline G, not that they necessarily do so. Adjudicative Guidelines at ¶ 23 (formatting in original). In applying the mitigating conditions, I must be guided by the regulatory considerations in 10 C.F.R. § 710.7(c)—in particular,(1) "the nature, extent, and seriousness of the conduct"; (2) "the frequency and recency of the conduct"; (3) the Individual's "age and maturity"; and (4) "the absence . . . of pertinent behavioral changes . . . ." 10 C.F.R. § 710.7(c).

With respect to the nature, extent, and seriousness of the delinquency and its frequency and recency—the Individual owed a large amount of tax liability—over $80,0000—that essentially languished every day starting in tax year 2014[7] and only being paid about two months before the hearing. To allow such a large tax liability to remain unresolved for about a decade demonstrates a lack of initiative and reliability on her part. Then, with respect to the Individual's age and maturity, at all relevant times the Individual was well into her adulthood. That the Individual would defer to her Ex-Husband on their finances—despite her admission that she found the tax liability and its lack of resolution alarming—reflects poorly on her judgment and reliability. Last, with respect to a change in behavior, the Individual stated that she is divorced and now managing her own finances. While her newfound financial independence is commendable, the Individual's claim about changed behavior has not fully developed. The Individual affirmatively told a clearance investigator in August 2025 that she would reach out to the IRS to resolve the debt. Then, in January 2026, she told the LSO that she and her Ex-Husband had been in communication with the IRS. Not even a month later, she admitted that this was not accurate. The Individual explained that she had relied upon her Ex-Husband and his representations and continued to defer to him with respect to resolving the debt. This deference is the exact problem that led to the excessive tax liability and the issue with obtaining her clearance. That the Individual continued to defer to her Ex-Husband so recently—even while divorcing and in making representations to the LSO—calls into question her current judgment and reliability.

In summary, that the Individual owed over $80,000; that the tax liability first arose in 2014; that the Individual only paid the tax liability less than two months before the hearing; that the Individual was well into her adulthood at all relevant times; and that the Individual recently relied on her Ex-Husband's inaccurate statements all weighs against a finding that the financial concerns are unlikely to recur. As such, I find that the Individual has not resolved the security concerns raised under Guideline F. *Id.* at § 710.7(a) ("Any doubt as to an individual's access authorization

[7] While there is some indication that the Individual's wages were garnished from some unknown period up until 2021, those payments clearly had little meaningful effect in resolving the tax liability.

eligibility shall be resolved in favor of the national security."). Mitigating condition (g) does not suffice to mitigate the security concerns here.

VI. CONCLUSION

In the above analysis, I found that the DOE possessed sufficient derogatory information raising 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 brought forth insufficient evidence to resolve the security concerns. Accordingly, I have determined that the Individual's access authorization should not be granted. This Decision may be appealed in accordance with the procedures set forth at 10 C.F.R. § 710.28.

Andrew Dam
Administrative Judge
Office of Hearings and Appeals