

# STATE OF THE SECURITY CLEARANCE PROCESS 2H 2022



#### STATE OF THE SECURITY CLEARANCE PROCESS

A letter from our President and Founder, Evan Lesser

We presented our <u>first State of the Security Clearance</u> white paper in January. The market as we enter July is largely unchanged – the demand for cleared talent continues to far outpace the supply, cleared workers continue to seek out remote work options, and an increasing number of cleared professionals are open to new opportunities. Security clearance processing times continue to improve, but without an influx of new talent, the Great Resignation and a graying government workforce are poised ready to leave the cleared population even smaller.

Many government contracting officials emphasize the progress made in personnel security – implementing continuous vetting, improving clearance processing times, and the ongoing roll-out of improved technology to underpin the entire personnel security apparatus. What remains largely unchanged are government contracting rules which require personnel to have a fully adjudicated clearance, in many cases, in order to start work on a cleared contract or with a government agency. Interim clearances are key, and can be processed quickly, but may not be an option for all contractors.

The total number of cleared professionals is going up – that's the good news. But with the actual in-access population going down and demand for cleared talent at an all-time high, it's clear that an increasing number of cleared professionals aren't necessarily going back into the SCIF life.

We hope our second half update of the State of the Security Clearance Process helps give you actionable insight into security clearance careers.

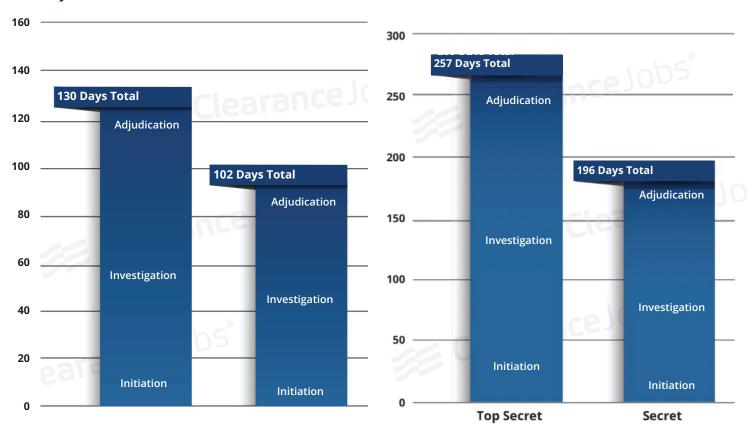
President and Founder of Clearancelobs

# SECURITY CLEARANCE MARKET REALITIES: GREAT RESIGNATION GRAYING WORKFORCE GOVERNMENT ACQUISITION POLICIES



# How long it takes to obtain a DoD/Industry Security Clearance

#### How long it takes to obtain an IC Security Clearance



#### TOP ISSUES THAT CAUSE SECURITY CLEARANCE DENIAL:



**1 Financial Considerations**: Unpaid debt, delinquent accounts, or unpaid taxes are frequent contributors.



**Personal Conduct:** The catch-all adjudicative criteria, this often comes down to lying on the application or misleading an investigator.



**Foreign Influence:** Foreign-born applicants or those with close relatives overseas face a more difficult path to a cleared career.



**Drug Use:** Despite changing state laws on drug use, marijuana is still illegal at the federal level – and tripping up a growing number of applicants.



**Criminal Conduct:** This includes anything from petty theft to serious jail time.

Don't let issues deter you, however – the rate of security clearance denial and revocation for DoD/ Industry applicants has always hovered around 1.5%. Many issues can be mitigated if you're willing

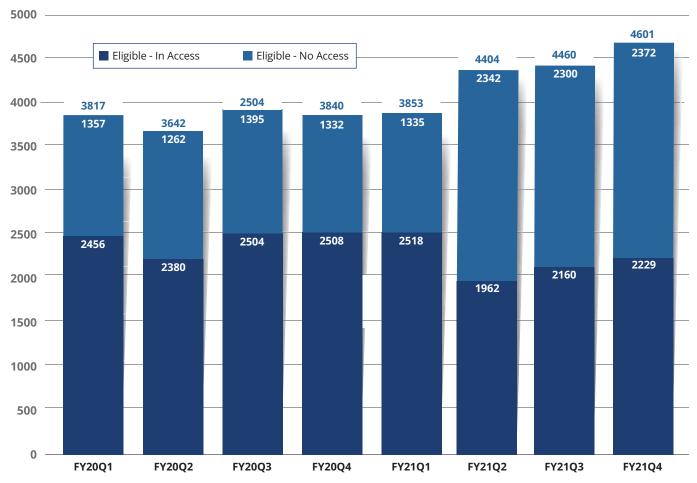
to put in the effort to prove your case. Reviewing <u>published DOHA cases</u> can be a great way to establish if a specific case stands a good chance.



#### **CLEARED CANDIDATES & THE GREAT RESIGNATION**

#### **DoD National Security Population Eligibility & Access**

(In Thousands)



Source: Security, Suitability, and Credentialing Performance Accountability Council

Data released by the Security, Suitability, and Credentialing Performance Advisability Council earlier this year showed a rise in the total number of security clearance holders, up to 4.6 million from what had been 3.6 million just a year and a half prior. Those figures don't tell the whole story, however - while the total number of individuals eligible for a security clearance has increased, the number actually using their security clearances dropped to just 2.2 million. Between the second quarter of FY 2021, the in-access population dropped by 600,000, with many speculating the combination of the Great Resignation, security clearance holders moving into the private sector and out of government, retirements, and data clean-up as the Department of Defense migrated its security clearance system of record from JPAS to DISS.

A drop in the number of individuals working in cleared positions is no surprise to those hiring and identifying talent in this market. The good news is DCSA is processing security clearance background investigations more quickly. But with an average of 14,000 investigations adjudicated every month, the number of new personnel entering the market remains too small to fill openings.

16,000 NEW CLEARED WORKERS
VS 75,000 CURRENT
Average industry closed cases Jan-March 2022



#### **National Background Investigation Services**

The security clearance process is a people process, but the roll out of Continuous Vetting (CV) has reinforced that it's also a technology process – improving technology has been at the cornerstone since the DoD took over the background investigations process, and it remains key today as the roll-out of the National Background Investigations Services (NBIS) continues.

"I don't think there's anything I'm prouder of than what we're doing in this area now," said William Lietzau, director of DCSA, before an audience at the NCMS Seminar of security professionals. He noted that once the system rolls out there will be an annual savings of \$70 million just from reducing the need to continue supporting the OPM legacy system that previously acted as the security clearance system of record. He emphasized that NBIS is helping the government move forward and produce background investigations better, faster, and cheaper.

"There's no question our personnel security mission has improved, both in speed and quality" said Lietzau.



#### **Moving Forward on Trusted Workforce 2.0**

In April the Performance Accountability Council released Trusted Workforce 2.0 implementation strategy to the executive branches. Following the full implementation of the first stage of CV throughout the executive branch, the implementation guidance represented the next major step in moving Trusted Workforce 2.0 forward. A key aspect of the strategy is the establishment of an implementation official and allocating budget for the Trusted Workforce 2.0 effort. The implementation strategy moves Trusted Workforce 2.0 away from simply being ODNI policy and into something agencies and organizations across government will be called on and held accountable for carrying forth.

# TRUSTED WORKFORCE 1.25

All Clearance-Holders and National Security Sensitive Positions Enrolled

#### 3 High-Value Automated Checks:

- ✓ Eligibility
- ✓ Terrorism
- ✓ Criminal Activity

# TRUSTED WORKFORCE 1.5

#### Half of DoD Enrolled

#### 7 Automated Checks:

- ✓ Eligibility
- ✓ Terrorism
- ✓ Criminal Activity
- √ Foreign Travel
- ✓ Financial Activity
- ✓ Credit
- ✓ Public Records

# TRUSTED WORKFORCE 2.0

#### **Rollout in FY 2023**

- ✓ Maximum automated checks
- ✓ Full federal workforce enrollment
- ✓ Complete PR replacement





# **SECURITY CLEARANCE HOT TOPICS**



#### **MENTAL HEALTH**

If you look at topics with the biggest push/ most interest in the past year, it's hard to find one with more senior leader engagement than mental health. Officials across ODNI, DCSA, and the private sector are all working to reduce stigma around mental health issues and encourage cleared workers to get mental health care and treatment – and that doing so is actually a mitigating factor in the security clearance process.

Question 21 was updated in 2017, but many security clearance holders still operate under the misconception that all counseling needs to be listed on the SF-86, or that certain mental health conditions will automatically result in security clearance denial. DCSA has emphasized that there are no psychological

conditions automatically resulting in security clearance denial. The key factor the government looks at is if the individual is following through with treatment.

"If there is a myth out there that: 'If I go to behavioral health [services] it will be a career killer,' ... it's to the contrary; we at adjudications very much see participating in treatment as a favorable thing," said Dr. Michael Priester, chief psychologist at DCSA.



Mental Health & Security Clearances Whitepaper





### MARIJUANA

Marijuana remains a hot topic across the cleared workforce, as changing societal norms and state laws run up against federal laws against marijuana use that remain unchanged. In December 2021 the Office of the Director of National Intelligence (ODNI) issued clarifying guidance about marijuana, including CBD products and marijuana investments. The policy noted that direct marijuana investment remains illegal and CBD use that results in a positive drug test could prove disqualifying. When it comes to past drug use, the guidance emphasized that use prior to application should not be considered disqualifying. But many agencies still consider a year of abstinence prior to application to be critical for a favorable suitability determination. When it comes to drug use post-application, individuals should be aware ignorance of federal law is unlikely to be an acceptable excuse, and until federal law changes, marijuana use will have serious security clearance career ramifications. "...in light of the long-standing federal law and policy prohibiting illegal drug use while occupying a sensitive position or holding a security clearance, agencies are encouraged to advise prospective national security workforce employees that they should refrain from any future marijuana use upon initiation of the national security vetting process, which commences once the individual signs the certification contained in the Standard Form 86 (SF-86), Questionnaire for National Security Positions."



Drug Use Consideration for Security Clearance Holders & Applicants Whitepaper



#### **MOBILITY**

Security clearance reciprocity has long been a clearance hot topic, with agencies and industry pushing to ensure that an individual cleared within one organization will be able to transfer to an opportunity with another. A recent report by the Intelligence and National Security Alliance (INSA) pushes for a broader scope behind the idea of reciprocity, advocating for true cleared workforce mobility and corresponding policy changes around how agencies accept and grant eligibility, particularly for SCI and polygraph programs. With a small talent pool and limited options to transfer clearances, many organizations are left recruiting for a niche within a niche - and candidate poaching becomes the only way to find cleared personnel with the right credentials and clearances for the job.

"This means we're just shuffling the deck chairs, moving someone from one government mission to another, making a hole somewhere else," said Greg Torres, director of personnel security at Booz Allen. "And we usually need to pay a premium for that employee to leave their current job."

The notion of improving the mobility of the cleared workforce has taken on several forms over the past several years, including the push for the 'clearance in person' concept by the Senate Intelligence Committee and efforts to promote clearance portability for service members. All of the efforts point to the critical issue – the ongoing demand for more cleared personnel and the need to move them between opportunities more easily.



## **DEI AND SECURITY CLEARANCES**

The push for Diversity, Equity, Inclusion, and Accessibility includes demand for a more competent and representative cleared talent pool. In general, the security clearance process has not pulled out data around diversity figures such as race and gender. A 2020 GAO report on diversity within the intelligence community noted racial and ethnic minorities comprise about 37% of both the federal and civilian workforces, yet they only amount to about 26% of the intelligence community workforce. The process has not been further broken down into how race or gender impact clearance eligibility, or if more diverse candidates will experience a lengthier security clearance process.

The administrative long tail can be particularly cumbersome for applicants with foreign ties or financial issues. ODNI is now looking into common issues affecting the slowest 10% of all security clearance applicants - and which issues may be the biggest factors. They have also worked to provide more training for investigators and adjudicators, and have even considered if additional diversity training may be necessary for polygraph examiners.

Race was the topic of a 2021 RAND report which looked into how the security clearance process could be disproportionately denying eligibility to diverse candidates.

"We do not intend to suggest that adjudicative guidelines should not be applied or that the areas investigated are irrelevant to a risk assessment. But we do note that actual risk and perceived risk may differ among racially minoritized individuals based on historical context and persistent negative biases," RAND emphasized.

Exploring the security clearance process is just one step the IC is taking to ensure it establishes what roadblocks may be hindering the path for more diverse candidates into national security careers. Armed with more metrics and a clear commitment to ensuring both diversity recruitment and career progression, it's hoping it can help make more diverse groups come to the IC, and just as importantly, stay.



Have more questions about the security clearance process?

**Visit our Security Clearance FAQ's** 



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SPACE FORCE

Everything we do is focused on countering the threat and delivering what warfighters actually want and need. SSC is generating a new and powerful unity of effort across all mission areas and joint forces involved with space systems acquisition, capabilities and platforms. We're all in this together and the fight is on.

- Lt. Gen Michael A, Guetlein, SSC Commander



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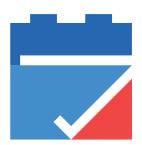
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