UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

United States Olympic and Paralympic Museum v. Small Business Administration

United States Olympic and Paralympic Museum · No. Civil Action No. 22-cv-3785 (TSC) · Decided January 6, 2026

SUMMARY

The court denies the Government's motion for reconsideration of an earlier decision remanding the United States Olympic and Paralympic Museum's Shuttered Venue Operators Grant application to the Small Business Administration. The court holds that the motion improperly raised a new mootness argument and that the SBA's denial was not self-explanatory or supported by an adequate statement of reasons under the Administrative Procedure Act and 5 U.S.C. § 555(e).

CASE DETAILS

COURT	United States District Court for the District of Columbia
WRITING FOR THE COURT	Tanya S. Chutkan
JURISDICTION	United States District Court for the District of Columbia
DECIDED	January 6, 2026
DOCKET	Civil Action No. 22-cv-3785 (TSC)
DISPOSITION	other
PROCEDURAL POSTURE	The Government moved under Federal Rule of Civil Procedure 59(e) for reconsideration of the court's prior order, which had granted in part the Museum's motions for summary judgment and a preliminary injunction, denied the Government's cross-motion for summary judgment, and remanded the matter to the SBA for reconsideration.
STANDARD OF REVIEW	A Rule 59(e) motion may be granted only for an intervening change in controlling law, newly available evidence, or the need to correct clear error or prevent manifest injustice. Agency action is reviewed under the Administrative Procedure Act to determine whether it is arbitrary or capricious and whether the agency provided a reasoned explanation.
PRECEDENTIAL VALUE	Published district court opinion
PARTIES	Small Business Administration, Administrator of the Small Business Administration v. United States Olympic and Paralympic Museum

TOPICS

motion for reconsideration · judicial review of agency action · administrative law · federal spending · civil procedure

PRACTICE AREAS

administrative law · federal civil procedure · judicial review of agency action · federal spending

QUESTIONS PRESENTED

1. Whether the Government could use a Rule 59(e) motion to raise for the first time the argument that a subsequent SBA decision mooted the Museum's claims and deprived the court of subject-matter jurisdiction.
2. Whether the SBA's denial was self-explanatory under 5 U.S.C. § 555(e) and therefore satisfied the requirement to provide the grounds for denial.
3. Whether the SBA's failure to explain the reasoning underlying its denial violated the minimum requirements of reasoned decision-making under the Administrative Procedure Act.

HOLDINGS

1. A Rule 59(e) motion is not a vehicle for presenting theories or arguments that could have been advanced earlier in the litigation; in any event, the Museum's challenge was not mooted because it alleged a continuing procedural violation that was repeated in the subsequent agency action.
2. The SBA's denial was not self-explanatory because determining the agency's rationale required multiple inferential steps concerning the Museum's 2019 and 2020 revenues and the alternative eligibility pathway.
3. Because the SBA failed to provide a reasoned explanation making clear the path it took, its denial failed the minimum requirements of reasoned decision-making under the Administrative Procedure Act and was arbitrary and capricious.

KEY QUOTATIONS

> *"One of the basic procedural requirements of administrative rulemaking is that an agency must give adequate reasons for its decisions."* (at 3)

> *"Because the denial was not self-explanatory and the agency failed to provide a reasoned explanation that made clear the path it took, its decision failed to satisfy the minimum requirements of reasoned decision making under the Administrative Procedure Act."* (at 5)

FACTUAL BACKGROUND

The Museum applied for a Shuttered Venue Operators Grant in August 2021. It reported no earned revenue in 2019 or the first quarter of 2020 and answered no to whether it had experienced a 25 percent revenue reduction between 2019 and 2020. The SBA initially provided only a generic explanation for the denial, later stated that the application was at least in part incomplete, and ultimately issued a new denial based on the Museum's inability to demonstrate the required revenue loss or first-quarter 2020 revenue. The Museum alleged that the deficient explanation deprived it of a meaningful opportunity to address the agency's eligibility determination and present evidence concerning sponsorship earnings.

PROCEDURAL HISTORY

The Museum applied for a Shuttered Venue Operators Grant and was denied by the SBA. After the Museum challenged the denial under the Administrative Procedure Act, the SBA issued a further denial during the litigation. The court previously granted the Museum's motions in part, denied the Government's cross-motion for summary judgment, and remanded to the agency. The Government then sought reconsideration, arguing that the subsequent agency decision mooted the claims and that the original denial was self-explanatory; the court denied reconsideration.

DISPOSITION

other

CASES CITED

- Leidos, Inc. v. Hellenic Republic, 881 F.3d 213, 217 (D.C. Cir. 2018)
- Firestone v. Firestone, 76 F.3d 1205, 1208 (D.C. Cir. 1996) (per curiam)
- New York v. United States, 880 F. Supp. 37, 38 (D.D.C. 1995)
- Patton Boggs LLP v. Chevron Corp., 683 F.3d 397, 403 (D.C. Cir. 2012)
- Encino Motorcars, LLC v. Navarro, 579 U.S. 211, 221 (2016)
- Bowman Transportation, Inc. v. Arkansas-Best Freight System, Inc., 419 U.S. 281, 286 (1974)
- Tourus Recs., Inc. v. Drug Enf't Admin., 259 F.3d 731, 737 (D.C. Cir. 2001)
- Roelofs v. Secretary of the Air Force, 628 F.2d 594, 600 n.33 (D.C. Cir. 1980)
- Estate of Gaither ex rel. Gaither v. D.C., 771 F. Supp. 2d 5, 10 (D.D.C. 2011)
- Securities & Exchange Commission v. Bilzerian, 729 F. Supp. 2d 9, 14 (D.D.C. 2010)
- Delta Ltd. v. U.S. Customs & Border Prot. Bureau, 393 F. Supp. 2d 15, 17 (D.D.C. 2005)
- Pickus v. U.S. Bd. of Parole, 507 F.2d 1107, 1111 (D.C. Cir. 1974)
- Organic Trade Ass'n v. U.S. Dep't of Agric., 370 F. Supp. 3d 98, 111 (D.D.C. 2019)