

definition of “small entity” under 5 U.S.C. 601(6), will pay federal benefits. Benefits provided under section 410(a) of the Stafford Act are fully funded by the federal government. Under 5 U.S.C. 605(b), the Secretary has certified to the Chief Counsel for Advocacy of the Small Business Administration to this effect. Accordingly, no regulatory flexibility analysis is required.

#### Effect on Family Life

The Department certifies that this final rule has been assessed in accordance with section 654 of Public Law 105–277, 112 Stat. 2681, for its effect on family well-being. The Department concludes that the rule will not adversely affect the well-being of the nation’s families. Rather, it should have a positive effect on family well-being by providing benefits to more individuals whose households have been affected by major disasters.

#### Small Business Regulatory Enforcement Fairness Act of 1996 and Congressional Notification

The Department has determined that this final rule is not a major rule as defined by section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 804(2)). This rule will not result in an annual effect on the economy of \$100,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets. With regard to the revised sections of the final rule, the

Department will submit to each House of Congress and to the Comptroller General a report regarding the issuance of this final rule prior to the effective date of the rule, which will note that this rule does not constitute a “major rule” for purposes of this Act.

#### Catalogue of Federal Domestic Assistance Number

This program is listed in the Catalogue of Federal Domestic Assistance at No. 17.225, “Disaster Unemployment Assistance (DUA).”

#### List of Subjects in 20 CFR Part 625

Disaster assistance, Labor, and Unemployment compensation.

#### Words of Issuance

Accordingly, the interim final rule amending part 625 of chapter V of title 20, Code of Federal Regulations, which was published at 66 FR 56960 on November 13, 2001, is adopted as a final rule with the following changes to § 625.5(c)(2) and (c)(3):

#### PART 625—DISASTER UNEMPLOYMENT ASSISTANCE

1. The authority for part 625 continues to read as follows:

**Authority:** 42 U.S.C. 1302; 42 U.S.C. 5164; 42 U.S.C. 5189a(c); 42 U.S.C. 5201(a); Executive Order 12673 of March 23, 1989 (54 FR 12571); delegation of authority from the Director of the Federal Emergency Management Agency to the Secretary of Labor, effective December 1, 1985 (51 FR 4988); Secretary’s Order No. 4–75 (40 FR 18515).

2. Section 625.5(c)(1) is republished, and paragraphs (c)(2) and (c)(3) are revised to read as follows:

#### § 625.5 Unemployment caused by a major disaster.

\* \* \* \* \*

(c) *Unemployment is a direct result of the major disaster.* For the purposes of paragraphs (a)(1) and (b)(1) of this section, a worker’s or self-employed individual’s unemployment is a direct result of the major disaster where the unemployment is an immediate result of the major disaster itself, and not the result of a longer chain of events precipitated or exacerbated by the disaster. Such an individual’s unemployment is a direct result of the major disaster if the unemployment resulted from:

(1) the physical damage or destruction of the place of employment;

(2) the physical inaccessibility of the place of employment in the major disaster area due to its closure by or at the request of the federal, state or local government, in immediate response to the disaster; or

(3) lack of work, or loss of revenues, provided that, prior to the disaster, the employer, or the business in the case of a self-employed individual, received at least a majority of its revenue or income from an entity in the major disaster area that was either damaged or destroyed in the disaster, or an entity in the major disaster area closed by the federal, state or local government in immediate response to the disaster.

Signed at Washington, DC, on February 27, 2003.

**Emily Stover DeRocco,**

*Assistant Secretary of Labor.*

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