

Office of the Senior Vice President Human Resources New Orchard Road Armonk, NY 10504

June 24, 2010

Submitted Via Federal Rulemaking Portal: http://www.regulations.gov

Office of Information and Regulatory Affairs Office of Management and Budget NEOB, Room 10202, 725 17th Street, NW. Washington, DC 20503 ATTN: Darcel D. Gayle

Re: Draft 2010 Report to Congress on the Benefits and Costs of Federal Regulations, OMB-2010-0008, 75 Fed. Reg. 22631 (April 29, 2010)

Dear Ms. Gayle:

I write to provide IBM's strong endorsement of the comments filed on June 17, 2010, by the HR Policy Association on this Draft Report to Congress. Recommendations for updates to the Fair Labor Standards Act (FLSA) squarely align with your request for "suggestions about regulatory changes that might serve to promote economic growth, with particular reference to increasing employment, innovation, and competitiveness."

The FLSA is not contemporary with today's workplace and often operates counter the interests and preferences of employees. Changes in technology, flexible work models, and the way employees look to manage their work-life balance have rendered many aspects of the legislation irrelevant and contrary to the operation of a competitive and employee-friendly business. Simply put, the FLSA served a purpose at the time, but did not anticipate the strides that have been accomplished in workplace innovation.

Specifically, I draw your attention to the Association's comments on the computer employee exemption and on the difficulties of applying the existing administrative and executive exemption language to today's workforce. Too, the proliferation of electronic communication devices and their widespread use by non-exempt employees dictates a fresh look at the regulations governing compensable time and the treatment of commute time.

As noted in the Association's letter, the OMB report comes at a critical point for this nation's employment policy because the ability of employers to effectively compete on a global basis is directly tied to workplace laws and regulations. A good faith effort to modernize the FLSA will go a long way to improving the competitiveness of US business and the attractiveness of the US as am investment location.

Randall MacDonald