

June 29, 2004

Letter of Comment No: 5086
File Reference: 1102-100

Ms. Suzanne Q. Bielstein
FASB
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Share-Based Payment Exposure Draft

Dear Ms. Bielstein:

I am writing to you in my capacity as General Counsel of Gevity HR, Inc. (NASDAQ: GVHR) concerning the exposure draft issued by the FASB regarding share-based payments that would require companies to recognize compensation expense related to the purchase price discount provided under employee stock purchase plans.

At Gevity HR, we believe the FASB should consider from a policy perspective the negative impact its current position will have on making this type of benefit available to the typical American worker. Many employee stock purchase plans allow the average employee to purchase individual securities of his or her employer at a discount and without incurring the expense of brokerage commissions. The ability to acquire the securities at a discount is important because it lessens the investment risk of investing in an individual stock. Moreover, the discount serves as an incentive to encourage employees to make the investment and makes that investment more affordable.

If the FASB does not reverse its position, we feel that many companies, including our own, will need to consider modifying employee stock purchase plans to reduce or eliminate purchase price discounts. We believe that the elimination of that financial incentive will have a significant negative impact on participation levels. Reduced participation levels will make it difficult for a company to justify the related expenses associated with maintaining an employee stock purchase plan if the benefit ends up being utilized by only a very small percentage of employees.

We believe employee stock purchase plans offer the typical employee the most prudent way to invest in individual stocks. Such purchases do not represent nondiversified investments in retirement funds of the employee; but instead represent current investments paid with after-tax dollars. Further, most employee stock purchase

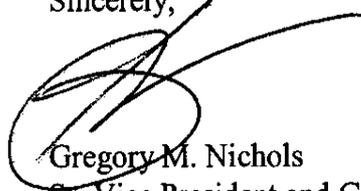
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plans place reasonable limits on the amount of after-tax dollars that an employee can allocate towards the purchase of employer stock.

In summary, we believe employee stock purchase plans provide employees with a unique opportunity to acquire individual stocks with financial incentives that minimize risk pursuant to an administrative process that helps ensure that any investments made by an employee are made on a measured basis using only after-tax dollars to minimize the potential for, and consequences of, any risk of financial loss associated with the investment.

For the foregoing reasons, we ask that you reconsider the expense rule related to purchase price discounts offered under employee stock purchase plans.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gregory M. Nichols', is written over a circular stamp or seal.

Gregory M. Nichols
Sr. Vice President and General Counsel

cc: Mr. William Donaldson, Chairman
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549