

Draft date: 10/5/26

MEETING OF THE FINANCIAL STABILITY (E) TASK FORCE

Wednesday, October 7, 2026

11:00-12:00PM EST

Virtual Meeting

FINANCIAL STABILITY (E) TASK FORCE

NAIC Member

Susan Ochs, Chair
Kaitlin Asrow, Vice Chair
Mark Fowler
Heather Carpenter
Peter M. Fuimaono
Michael Conway
Joshua Hershman
Michael Yaworsky
Holly W. Lambert
Doug Ommen
Vicki Schmidt
Marie Grant
Michael T. Caljouw
Grace Arnold
Angela L. Nelson
Eric Dunning
Alice T. Kane
Jon Godfread
Remedio C. Mafnas
Judith L. French
Glen Mulready
TK Keen
Michael Humphreys
Suzette M. Del Valle
Elizabeth Kelleher Dwyer
Michael Wise
Amanda Crawford
Scott A. White
Nathan Houdek

Representative

Susan Ochs
Avani Shah
Richard (Hamp) Russell
David Phiher
Elizabeth Perri
Rolf Kaumann
William Arfanis
Bradley Trim
Roy Eft
Kim Cross
Tish Becker
Lynn Beckner
John Turchi
Ben Slutsker
John F. Rehagen
Anthony Quandt
Alice T. Kane
Matt Fischer
Maryann Borja-Arriola
Tracy Snow
Eli Snowbarger
Paul Throckmorton
Diana Sherman
Glorimar Santiago
Elizabeth Kelleher Dwyer
Ryan Basnett
Jamie Walker
Dan Bumpus
Rebecca Easland

State/Territory

New Jersey
New York
Alabama
Alaska
American Samoa
Colorado
Connecticut
Florida
Indiana
Iowa
Kansas
Maryland
Massachusetts
Minnesota
Missouri
Nebraska
New Mexico
North Dakota
Northern Mariana Islands
Ohio
Oklahoma
Oregon
Pennsylvania
Puerto Rico
Rhode Island
South Carolina
Texas
Virginia
Wisconsin

NAIC Committee Support: Tim Nauheimer

AGENDA

1. Hear Opening Remarks—*Acting Commissioner Ochs (NJ)*
2. Vote to approve the FSTF and MWG 2027 charges - *Acting Commissioner Ochs (NJ)* Attachment 1
3. Discuss Interconnectedness project plan-Tim Nauheimer (NAIC) Attachment 2
4. Discuss Any Other Matters Brought Before the Task Force
— *Acting Commissioner Ochs (NJ)*
5. Adjournment

Draft: 9/03/26

Adopted by the Executive (EX) Committee and Plenary, TBD

Adopted by the Financial Condition (E) Committee, TBD

Adopted by the Financial Stability (E) Task Force, 10/7/26

2027 Proposed Charges

FINANCIAL STABILITY (E) TASK FORCE

The mission of the Financial Stability (E) Task Force is to consider domestic and global financial stability issues and their impact on the role of state insurance regulators.

Ongoing Support of NAIC Program, Products, or Services

1. The **Financial Stability (E) Task Force** will:
 - A. Manage the macroprudential supervisory component of the NAIC financial solvency framework.
 - i. Monitor the U.S. insurance industry's macroprudential risk levels.
 - ii. Maintain macroprudential regulatory tools.
 - iii. Identify data gaps and enhanced disclosure needs for the statutory financial statement and/or other reporting mechanisms.
 - iv. Propose enhancements and/or additional supervisory measures to the Financial Condition (E) Committee or other relevant committees and consult with such committees on implementation.
 - B. Monitor U.S. macroprudential policy issues and respond as appropriate.
 - i. Support and work with the state insurance regulator representative to the Financial Stability Oversight Council (FSOC) to address confidential FSOC or other federal agency macroprudential work.
 - ii. Participate in public FSOC or other federal agency macroprudential work.
 - C. Monitor international macroprudential policy issues and participate/respond as appropriate.
 - i. Coordinate with the International Insurance Relations (G) Committee to address International Association of Insurance Supervisors (IAIS) or other international macroprudential work.
2. The **Macroprudential (E) Working Group** will:
 - A. Oversee the implementation and maintenance of the Liquidity Stress Testing Framework (LST Framework).
 - B. Monitor domestic and global activities, including those enumerated in the Plan for the List of Macroprudential Working Group (MWG) Considerations document.
 - C. Develop and implement a comprehensive process to assess the direct and indirect insurance industry's interconnectedness with other sectors of the economy, including the identification of risk-transmission channels and the buildup of risks that could contribute to contagion.
 - D. Continue to develop and administer data collection tools as needed, leveraging existing data where feasible to provide the Financial Stability (E) Task Force with meaningful macroprudential information regarding how the insurance sector is navigating the prevailing market conditions.
 - E. Oversee the development, implementation, and maintenance process for the macroprudential risk assessment system (i.e., policies, procedures, and tools) to enhance regulators' ability to monitor industry trends from a macroprudential perspective.
 - F. Oversee the documentation of the NAIC's macroprudential policies, procedures, and tools.
 - G. Provide the Task Force with updates to IAIS and other international initiatives as needed.

NAIC Support Staff: Tim Nauheimer

FSTF Interconnectedness Kick-off Meeting

*October 7, 2026
Attachment #2*

Interconnectedness Framework Review

Agenda

1. Hear Opening Remarks—*Acting Commissioner Ochs (NJ)*
2. Vote to approve the FSTF and MWG 2027 charges - *Acting Commissioner Ochs (NJ)*
3. Discuss Interconnectedness project plan-Tim Nauheimer (NAIC)
4. Discuss Any Other Matters Brought Before the Task Force
– *Acting Commissioner Ochs (NJ)*
5. Adjournment

FSTF 2027 Charges

1. The **Financial Stability (E) Task Force** will:
 - A. Manage the macroprudential supervisory component of the NAIC financial solvency framework.
 - i. Monitor the U.S. insurance industry's macroprudential risk levels.
 - ii. Maintain macroprudential regulatory tools.
 - iii. Identify data gaps and enhanced disclosure needs for the statutory financial statement and/or other reporting mechanisms.
 - iv. Propose enhancements and/or additional supervisory measures to the Financial Condition (E) Committee or other relevant committees and consult with such committees on implementation.
 - B. Monitor U.S. macroprudential policy issues and respond as appropriate.
 - i. Support and work with the state insurance regulator representative to the Financial Stability Oversight Council (FSOC) to address confidential FSOC or other federal agency macroprudential work.
 - ii. Participate in public FSOC or other federal agency macroprudential work.
 - C. Monitor international macroprudential policy issues and participate/respond as appropriate.
 - i. Coordinate with the International Insurance Relations (G) Committee to address International Association of Insurance Supervisors (IAIS) or other international macroprudential work.

MWG 2027 Charges

2. The **Macroprudential (E) Working Group** will:
- A. Oversee the implementation and maintenance of the Liquidity Stress Testing Framework (LST Framework).
 - B. Monitor domestic and global activities, including those enumerated in the Plan for the List of Macroprudential Working Group (MWG) Considerations document.
 - C. Develop and implement a comprehensive process to assess the direct and indirect insurance industry's interconnectedness with other sectors of the economy, including the identification of risk-transmission channels and the buildup of risks that could contribute to contagion.
 - D. Continue to develop and administer data collection tools as needed, leveraging existing data where feasible to provide the Financial Stability (E) Task Force with meaningful macroprudential information regarding how the insurance sector is navigating the prevailing market conditions.
 - E. Oversee the development, implementation, and maintenance process for the macroprudential risk assessment system (i.e., policies, procedures, and tools) to enhance regulators' ability to monitor industry trends from a macroprudential perspective.
 - F. Oversee the documentation of the NAIC's macroprudential policies, procedures, and tools.
 - G. Provide the Task Force with updates to IAIS and other international initiatives as needed.

Interconnectedness Framework Proposal

1. Identify Areas of Interconnectedness

Examples:

Investments

Counterparties

Reinsurance

Asset Managers/Investment Advisors

Custodians

Ownership Structure

Affiliates

Identify transmission channels for each category above

Aggregate exposure

2. Identify concentrations and overlap within and across the above categories

Identify common financial sectors (banks), issuers, counterparties, reinsurers etc.

3. Identify possible contagion to one or few financial sectors, issuers, counterparties, reinsurers, etc.

4. Develop or identify software to automate the process

Interconnectedness Framework Proposal

Inventory of Connection Points and Transmission Channels

Category	Transmission Channel	Concern/Risk	Example
Assets			
Investments	Cash	Concentration	XYZ Bank
	Stocks	Concentration	XYZ Bank
	Bonds Issuers	Concentration	XYZ Bank
	Real Estate	Concentration	Office
	Mortgages	Concentration	Residential trend
	Derivative Counterparties	Concentration	XYZ Bank
	Repo Counterparties	Concentration	XYZ Bank
	Sec Lending Counterparties	Concentration	XYZ Bank
	Affiliated		
	Affiliated	PE owned	
	Loans		
	Structured Securities	Look-thru to underlying	
Invest Mngrs	Non Affiliated		
	Affiliated	PE owned	
Custodian	Investment Holding		XYZ Bank
Reinsurance	Domestic	PE owned	
	Cross-border	PE owned	
	Affiliated		

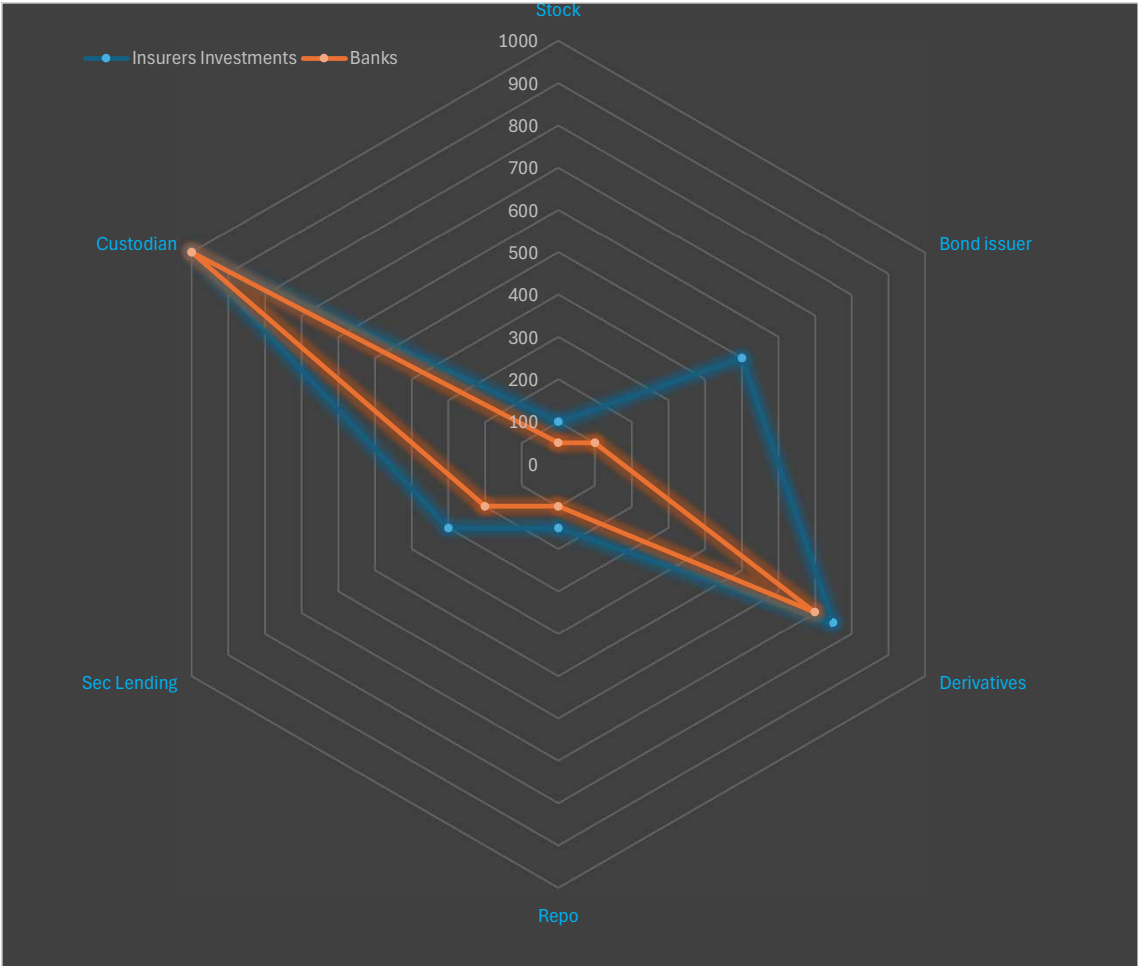
Interconnectedness Framework Proposal

Inventory of Connection Points and Transmission Channels

Liabilities	Transmission Channel	Concern/Risk
FHLB Loans	Loan agreement/ funding agreement	Leverage
Funding Agreements	Insurers Operation	Leverage
	Guarantees to Pensions/401Ks	Impact to Retirement market
Annuities	Group/Individual	Rising rates-lapses and surrenders
	Guarantees to Pensions/401Ks	Impact to Retirement market
LOC, Revolvers		Leverage
L/C's		Leverage
Debt issuance		Leverage
Other		
Cyber	Underwriting	Cyber risks
	Insurer Operations exposure	Cyber risks
Cloud Storage Providers		Cyber risks
TPA's	Claims processing	
Brokers and MGA's	Underwriting	Risk sharing/ reputational
	Agents Balances	Collectability/ reputational
Organizational Structure	Activity outside of regulated entities	

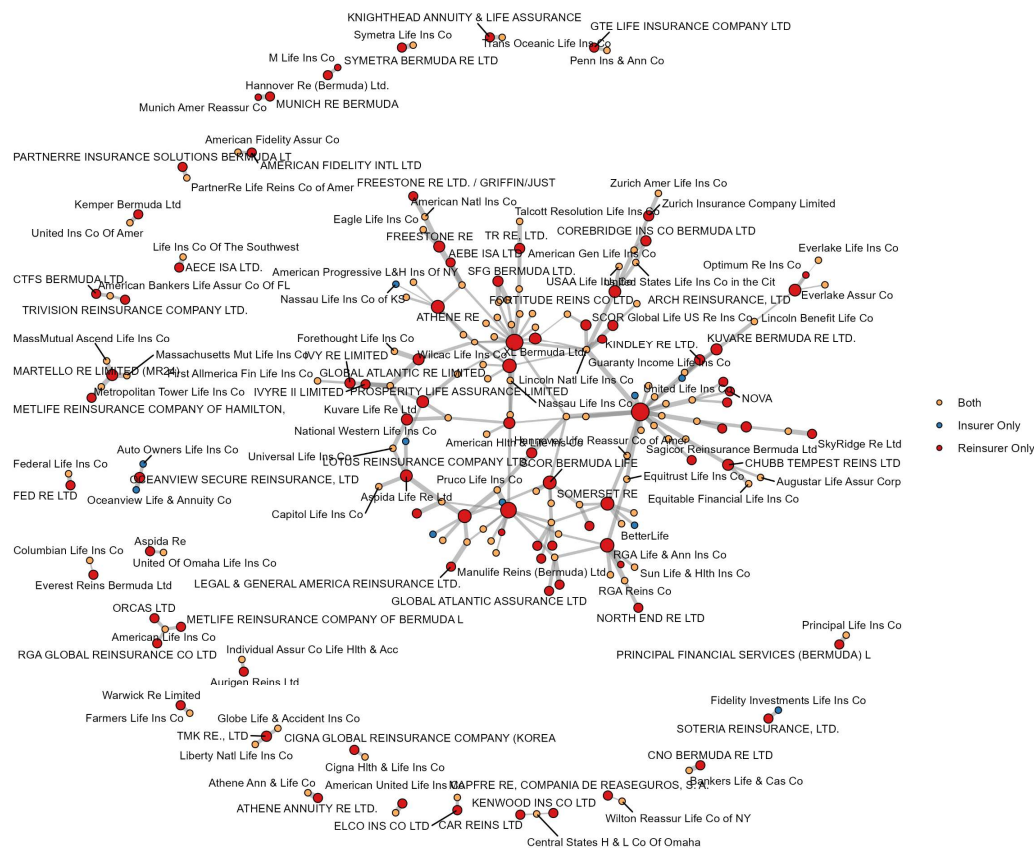
Interconnectedness Framework Proposal

Potential Deliverables or Output



Interconnectedness Framework Proposal

Potential Deliverables or Output



Interconnectedness Framework Proposal

Questions