##### Statutory Accounting Principles (E) Working Group

##### Meeting Agenda

##### December 13, 2022

**10:00 a.m. – 12:00 p.m. (ET)**

1. **Consideration of Maintenance Agenda – Pending List**
2. Ref #2022-14: New Market Tax Credits / Tax Equity Investments
3. Ref #2022-15: Affiliate Reporting Clarification
4. Ref #2022-16: ASU 2022-03, Fair Value Measurement of Restricted Securities
5. Ref #2022-17: Interest Income Disclosure Update
6. Ref #2022-18: *ASU 2022-04, Disclosure of Supplier Finance Program Obligations*
7. Ref #2022-19: SSAP No. 7 - IMR

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| **Ref #** | **Title** | **Attachment #** |
| **2022-14**  **(Julie)** | New Market Tax Credits / **Tax Equity Investments** | **A - Form A**  **B - Discussion Document** |

*Summary:*

The New Market Tax Credits (NMTC) Program was established by Congress in December 2000 and permits individual and corporate taxpayers to receive a non-refundable tax credit against federal income taxes for making equity investments in financial intermediaries known as Community Development Entities (CDEs). CDEs that receive the tax credit allocation authority under the program are domestic corporations or partnerships that provide loans, investments, or financial counseling in low-income urban and rural communities. The tax credit provided to the investors total 39% of the total cost of the investment and is claimed over a seven-year period. The CDEs in turn use the capital raised to make investments in low-income communities. CDEs must apply annually to the Community Development Financial Institutions Fund (CDFI Fund) to compete for NMTC allocation authority. The NMTC program is currently subject to expiration but has been extended to Dec. 31, 2025. The NMTC Extension Act of 2021 (introduced February 2021) would make the NMTC program permanent, modify the credit to provide for an inflation adjustment to the limitation amount for the credit after 2021, and allow an offset against the alternative minimum tax for the credit.

The success of the federal NMTC program has led to states adopting their own NMTC legislation. Per one noted article, the majority of state NMTC programs follow the federal rules with some modifications that vary from state to state. State modifications have been noted to specifically target smaller business, simplifying the application process, prohibiting the use of real estate business, and capping the amount of tax credits that can be allocated to one project. The economic impact of the state NMTC programs is typically less than the impact of federal NMTC programs because the economic return to investors for state tax credits is generally lower than what they receive for federal credits. Some states require that state tax credits can only be used in conjunction with federal credits. Pairing federal and state programs is beneficial to the qualifying business as they keep more of the investment without an obligation to return as the investors receive more tax credits.

The FASB has a current Emerging Issues Task Force project to assess whether the proportional amortization method of accounting, which is used for Low-Income Housing Tax Credits (LIHTC), should be expanded to investments in tax credit structures beyond LIHTC. The proportional amortization method results in the tax credit investment being amortized in proportion to the allocation of tax credits in each period and allows the investment amortization and tax credits to be presented on a net basis within the income tax line item. Currently, investments in other tax credit structures are typically accounted for using the equity method or the cost method. Under the equity and cost methods, investment gains/losses and tax credits are presented on a gross basis on an entity’s income statement. The FASB has received two requests asking that the proportional amortization method be made applicable to New Market Tax Credit Structures as well as other investment structures that are made primarily for the purpose of receiving tax credits and other tax benefits. The FASB added a project to the Emerging Issues Task Force agenda on Sept. 22, 2021. The FASB Task Force reached a consensus-for-exposure on June 16, 2022, that the proportional amortization method can be elected on a tax credit program by tax credit program basis. This proposed ASU was exposed in August 2022, with comments due Oct. 6, 2022. A final ASU is expected later in 2022 or early in 2023.

IRS Provisions – The NMTC is captured as a nonrefundable “general business credit” and is limited to the tax liability. If the tax liability is not sufficient to use the credit, then the tax credit is subject to carryforward / carryback provisions. Per instructions from the *2021 Instructions for Form 3800 – General Business Credit*, general business credits that cannot be used because of a tax liability limit are first carried-back 1 year through an amended return. If there are unused credits after carrying back 1 year, the tax credit can be carried forward to each of the 20 tax years after the year of the credit.

Inflation Reduction Act Provisions – The Inflation Reduction Act was signed by President Biden on Aug. 16, 2022. Although there are several elements within the Act, it includes a 15% corporate alternative minimum tax rate for corporations with at least $1 billion in income and includes numerous investments in climate protection, clean energy production and tax credits aimed at reducing carbon emissions. Although the Act has been signed, several elements are pending further application guidance. From preliminary information, the act allows for general business credits, such as the low-income housing tax credit (LIHTC), new markets tax credit (NMTC), historic tax credit (HTC) and renewable energy tax credits (RETCs) to be taken against the minimum tax. However, further monitoring of application / interpretation guidance that is still forthcoming is required to assess the actual application and impact of tax credits on companies subject to the minimum tax.

Statutory Accounting Considerations:

* Although the design is an equity investment of stock or interest in a corporation or partnership, which would normally be subject to *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*, the intent of NMTC investments is for tax credits and not equity returns. As such, this structure is closer to the existing low-income housing tax credits guidance in SSAP No. 93 than the partnership / LLC guidance in SSAP No. 48.
* Although *SSAP No. 93—Low Income Housing Tax Credit Property Investments* provides guidance for an equity investment, that provides tax credits with a limited (or zero) residual investment value, the guidance in SSAP No. 93 is specific to LIHTC programs.
* It has been identified that there are structures that have been designed to resemble fixed-income notes that do not pay regular cash interest, but rather provide NMTC tax credits as interest returns. These structures are in substance the same as other investments in NMTC, with an underlying equity interest in the CDE that generates tax credits. However, they have been structured with a guarantee for compensatory interest in the form of cash for the amount of the tax credit expected to have been received that year (the guarantee would only apply if the tax credit were not received). These structures are also being considered within scope of this agenda item. Such structures have to meet specific criteria to qualify for tax credits under the IRS rules.

*Recommendation:*

**NAIC staff recommends that the Working Group move this item to maintenance agenda as a new SAP concept and expose the discussion document which details potential statutory accounting concepts for tax equity investments (as an expansion of SSAP No. 93) along with potential discussion elements and questions.**

**Although the agenda item is focusing on NMTC, the discussion document recommends that consideration be given to guidance that does not name specific designs, such as NMTC, LIHTC or other specific tax credits, so that it can be applicable for all qualifying tax equity investments. This guidance will consider the proposed FASB guidance as well as admittance and impairment provisions, recognizing that tax credits cannot be used to provide direct payment to policyholders, but rather are utilized to impact a reporting entity’s tax liability. With these recommendations, it would be anticipated that SSAP No. 93 will be renamed to *“SSAP No. 93—Equity Investments in Tax Credits.”***

Along with statutory accounting revisions, a resulting blanks proposal and a potential RBC referral are subsequently anticipated to update blanks reporting and RBC references accordingly. As detailed within, all Schedule BA reporting lines and RBC instructions (for both federal and state) only reference Low-Income Housing Tax Credits. The BA instructions also need to be updated as the concept for ‘guaranteed’ provisions from a CRP-rated entity seems to only be applicable to limited NMTC designs, as a guarantee may disqualify an entity from being able to use tax credits under IRS provisions. These proposals will be drafted once the proposed revisions are further developed.

**This agenda item also recommends a review of *SSAP No. 94R—Transferable and Non-Transferable State Tax Credits* to ensure the guidance reflects items that should be captured in scope and admittance provisions. NAIC staff will be working to propose edits for potential exposure early in 2023 to allow for a collective review of statutory accounting guidance to address tax credits.**

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| **Ref #** | **Title** | **Attachment #** |
| **2022-15**  **(Jake)** | Affiliate Reporting Clarification | **C - Form A** |

*Summary:*

At its May 24, 2022, meeting, the Working Group adopted agenda item *2021-21: Related Party Reporting*, which included revisions to clarify application of the existing affiliate definition as well as to incorporate new disclosure requirements for investments acquired through, or in, related parties, regardless of if they meet the affiliate definition. During the discussion on the call, it was suggested that there needs to be a clarification of when an investment is considered to be an affiliated investment and reported on the “parent, subsidiaries and affiliates” reporting lines (as referred to as the “affiliated” lines) in the investment schedules. When agenda item 2021-21 was adopted, it included a recommendation that NAIC staff look to further clarify when investments should be classified as affiliated in the reporting schedules. This agenda item intends to clarify that an investment held from an affiliate is considered an affiliated investment.

*Recommendation:*

**NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to SSAP No. 25 to clarify that “any invested asset held by a reporting entity which is issued by an affiliated entity, or which includes the obligations of an affiliated entity is an affiliated investment.”** Staff also recommend that Working Group direct the Blanks (E) Working Group to modify the Annual Statement Instructions as illustrated in the attached agenda item.

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| **Ref #** | **Title** | **Attachment #** |
| **2022-16**  **(Jake)** | ASU 2022-03, Fair Value Measurement of Restricted Securities | **D - Form A** |

*Summary:*

In June 2022, the Financial Accounting Standards Board (FASB) issued *ASU 2022-03, Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* to 1) clarify the guidance in Topic 820, Fair Value Measurement, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security, 2) amend a related illustrative example, and 3) add a new disclosure of the fair value of equity securities subject to contractual sale restrictions, nature and remaining duration of the restrictions, and circumstances that could cause a lapse in the restrictions, in accordance with Topic 820.

These amendments do not change the principles of fair value measurement. They provide clarity in situations involving equity securities that have restrictions related to the sale of the asset. This ASU provides updated guidance for two specific scenarios, one where the restriction is based on the entity holding the equity security and one where the restriction is a characteristic of the equity security.

* First, it clarifies situations where an equity security cannot be sold on the measurement date because of a contractual sale restriction where the entity is not allowed to sell an asset. An example of this would be lock-up periods, where the assets cannot be sold for a set period but can be readily priced based on a public security exchange.
* Second, it provides guidance for situations where the restriction is based on characteristics of the asset that limits if it can be sold in regular markets. An example would be an equity security issued through a private placement and not SEC registered and are legally restricted from being sold on a national securities exchange or an over-the-counter market. These assets would be available to be sold on an existing market (not on the public exchange) but would have a fair value based on the market price of the similar unrestricted equity security adjusted to reflect the effect of the restriction.

*Recommendation:*

**NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to *SSAP No. 100R—Fair Value* to adopt** ***ASU 2022-03, Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* with modification to be consistent with statutory language in the respective statutory accounting statements. Note that this agenda item does not recommend incorporating the new proposed GAAP disclosures on sales restrictions, but identifies that items restricted as to sale would be captured as restricted assets per SSAP No. 1 and subject to admittance considerations under SSAP No. 4.**

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| **Ref #** | **Title** | **Attachment #** |
| **2022-17**  **(Jake)** | Interest Income Disclosure Update | **E - Form A** |

*Summary:*

This agenda item is the result of comments received from interested parties from the Principles-Based Bond Project. In the Oct. 7, 2022, comment letter, which provided comments on the Aug. 10 exposure by the Working Group, interested parties suggested some revisions to further enhance reporting of interest income on Schedule D-1-1 Bonds, and recommended that NAIC staff look further at if this should be added to any of the other reporting schedules where interest income is reported in accordance with *SSAP No. 34—Investment Income Due and Accrued*.

There were two distinct items noted in the interested parties’ comments that are addressed by this agenda item. First, they suggested data capturing the gross, nonadmitted and admitted amounts for interest income due and accrued. Second, they suggested that a data element that is included in the bond proposal project be changed to reflect the cumulative amount of paid-in-kind (PIK) interest included in the current principal balance.

This agenda item proposes to expand disclosures, with data capturing, to include gross, nonadmitted and admitted amounts for interest income due and accrued. The blanks proposal will also include cumulative amounts of paid-in-kind (PIK) interest included in the current principal balances.

*Recommendation:*

**NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to *SSAP No. 34—Investment Income Due and Accrued* to add additional disclosures to data capture the gross, nonadmitted and admitted amounts for interest income due and to add disclosure of the cumulative amount of paid-in-kind (PIK) interest included in the current principal balance and sponsor a blanks proposal to data-capture the disclosure in Note 7 of the statutory financial statements. It is recommended that consideration of the blanks disclosures to occur concurrently with the exposure of this item to allow for adoption consideration in time for year-end 2023 financial statements.**

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| **Ref #** | **Title** | **Attachment #** |
| **2022-18**  **(Robin)** | *ASU 2022-04, Disclosure of Supplier Finance Program Obligations* | **F - Form A** |

*Summary:*

In September 2022, the Financial Accounting Standards Board (FASB) issued *ASU 2022-04, Liabilities—Supplier Finance Programs* (Subtopic 405-50) Disclosure of Supplier Finance Program Obligations to enhance the transparency of supplier finance programs. ASU 2022-04 is effective for fiscal years beginning after December 15, 2022.

The amendments in ASU 2022-04 apply to all entities that use supplier finance programs in connection with the purchase of goods and services (described as buyer parties). Supplier finance programs, which also may be referred to as reverse factoring, payables finance, or structured payables arrangements, allow a buyer to offer its suppliers the option to access payment in advance of an invoice due date through a third-party finance provider or intermediary on the basis of invoices that the buyer has confirmed as valid.

Typically, a buyer in a program (1) enters into an agreement with a finance provider or an intermediary to establish the program, (2) purchases goods and services from suppliers with a promise to pay at a later date, and (3) notifies the finance provider or intermediary of the supplier invoices that it has confirmed as valid. Suppliers may then request early payment from the finance provider or intermediary for those confirmed invoices. Suppliers generally agree to accept an amount less than owed to receive payment from the intermediary timelier than the invoice due date. The full amount owed by the buyer is then paid to the intermediary, resulting in a spread income to the financing intermediary.

The ASU amendments require that a buyer in a supplier finance program disclose sufficient information about the program to allow a user of financial statements to understand the program’s nature, activity during the period, changes from period to period, and potential magnitude. These disclosures were supported as buyers who utilize these programs are getting a form of financing, but the amounts owed to the financial intermediaries have been reported differently, with some entities reporting as trade payables and others reporting as debt. ASU 2022-04 requires the buyer to make the annual disclosures of qualitative and quantitative information about its supplier finance programs including key terms obligations, where they are reported and a rollforward of the obligations. In addition, there are interim disclosures.

*SSAP No. 105R—Working Capital Finance Investments* addresses programs similar to some of the ones described in ASU 2022-04, however it addresses such programs from the perspective of evaluating investments in such programs for admissibility for the investor in such programs. That is, the insurers tend to act as a finance provider or an investor in the supplier chain finance program, not the “buyer.” Insurers are not typically “buyers” in such programs as they are described in ASU 2022-04. The guidance in SSAP No. 105R would describe the “buyer” in the ASU 2022-04 as an obligor of the working capital finance program. Therefore, since the disclosures in ASU 2022-04 are for buyers/obligors of supplier finance programs, not for providers of liquidity – the investors, the disclosures do not seem relevant to require of the investors in such programs for statutory accounting.

Note that if an insurer were to sell its premium receivables, existing guidance in *SSAP No. 42—Sale of Premium Receivables* and *SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishment of Liabilities* provide guidance which distinguishes sales from financing transactions. Therefore, the new GAAP disclosures in ASU 2022-04 are not recommended for incorporation into statutory accounting.

*Recommendation:*

**NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to SSAP No. 105R to reject ASU 2022-04. As insurance reporting entities are not the buyers (obligors) of supplier chain finance programs, the disclosures in ASU 2022-04 are not relevant. Reporting entities that invest in working capital finance programs are the providers of capital (investors) not the buyers (obligors) of such programs.**

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| **Ref #** | **Title** | **Attachment #** |
| **2022-19**  **(Julie)** | SSAP No. 7 - IMR | **G - Agenda Item**  **H - ACLI Letter** |

*Summary:*

This agenda item has been developed to discuss the interest maintenance reserve (IMR) within statutory accounting, specifically the current guidance for the nonadmittance of disallowed negative IMR. Although the statutory accounting guidance has been in place for several years, the rising interest rate environment has created an increased likelihood for reporting entities to move to a negative IMR position. This agenda item intends to provide information on the background of IMR, current accounting guidance, recent discussions of the Life Actuarial (A) Task Force and some broad financial results from year-end 2021 and interim 2022 financial statements. The intent is to provide this information to facilitate Working Group discussion.

The following provides a high-level overview of the use of the terms positive IMR and negative IMR for entities filing the Life, Accident & Health / Fraternal annual statement blank:

* A positive IMR means that the net realized interest related gains which are amortized in the IMR calculation are greater than net realized interest related losses which are being amortized in the IMR calculation. A positive IMR is reported as a statutory liability and amortized to income over time.
* A negative IMR means that net realized interest related losses which are amortized in the IMR calculation are greater than net realized interested related gains which are amortized in the IMR calculation. A disallowed negative IMR is reported as a nonadmitted asset and amortized to income as a loss over time.

As IMR occurs in the general and separate account, there are specific guidelines in determining whether the IMR reflects a net disallowed negative or position in the annual statement instructions. These are on page 5.

A letter from the American Council of Life Insurers (ACLI) dated Oct. 31, 2022, raised concerns with existing statutory accounting requirements on the nonadmittance of disallowed negative IMR noting negative ramifications for insurers. Key summarized positions from this ACLI letter include:

* In general, rising interest rates are favorable to the financial health of the insurance industry and policyholders. However, with negative IMR, there is an inappropriate perception of decreased financial strength through lower surplus and risk-based capital.
* Negative IMR could impact the rating agency view of the industry or incentivize companies to avoid prudent investment transactions that are necessary to avoid mismatches between assets and liabilities. In either scenario, negative IMR encourages short-term non-economic activity that is not in the best long-term interest of a reporting entity’s financial health or its policyholders.

*Recommendation:*

**NAIC staff recommend that the Working Group include this item on their maintenance agenda as a New SAP Concept for discussion to assess the current guidance for negative IMR. NAIC staff recommend that at the Working Group’s conclusion, documentation of the discussion, and resulting decisions, be captured for historical purposes in an Issue Paper.**

1. **Consideration of Maintenance Agenda – Active Listing**
2. Ref #2017-33: ASU 2017-12 – Derivatives and Hedging
3. Ref #2019-12: Proposed Bond Definition

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| **Ref #** | **Title** | **Attachment #** |
| **2017-33**  **(Julie)** | ASU 2017-12 – Derivatives and Hedging | **I - Issue Paper** |

*Summary:*

The Working Group has considered the revised U.S. GAAP guidance for derivatives detailed in ASU 2017-12 in three separate agenda items:

* Ref #2018-30: This agenda item incorporated revisions, effective January 1, 2019, with early application permitted, limited to specific provisions, and related transition guidance, pertaining to the documentation and assessment of hedge effectiveness: 1) provisions allowing more time to perform the initial qualitative hedge effectiveness assessment; 2) provisions allowing subsequent assessments of hedge effectiveness to be performed qualitatively if certain conditions are met; and 3) revisions regarding use of the critical terms and short-cut method for assessing hedge effectiveness. With the adoption of the limited provisions, it was identified that the remaining provisions of ASU 2017-12 would be subsequently assessed for statutory accounting and shall not be considered adopted for statutory accounting until that assessment is completed, with a conclusion to adopt the U.S. GAAP guidance.
* Ref #2021-20: This agenda item resulted with both the new Exhibit A that adopts with modification U.S. GAAP guidance in determining hedge effectiveness and the revisions to SSAP No. 86 to incorporate measurement method guidance for excluded components. These revisions were adopted with a January 1, 2023, effective date, with early adoption permitted. Additionally, the revisions resulted with new Schedule DB reporting fields and templates to capture the new disclosures for excluded components. These disclosure and investment schedule changes will be in effect for year-end 2023. Companies that early adopt the revisions are directly to complete the required disclosures in a narrative format for year-end 2022.
* Ref #2022-09: The revisions incorporate the U.S. GAAP portfolio layer method and the partial-term hedging method, with modifications to limit application of the partial-term hedging method to recognized assets. This is different than U.S. GAAP, which permits the partial term method for hedged liabilities. The statutory limitation is established to prevent interim basis adjustments to hedged liabilities that could present a reduction of reported liabilities on the financial statements when the actual liability has not been reduced. Reconsideration of this statutory limitation may occur after a broader project to consider how derivative basis adjustments to hedged liabilities shall be reflected in the financial statements. These revisions were adopted with a January 1, 2023, effective date, with early adoption permitted.

Pursuant to the discussion for each of these agenda items, it was identified that an issue paper would be presented that detailed key elements and the revisions for historical retention purposes. This issue paper has been prepared for exposure consideration.

*Recommendation:*

**NAIC staff recommend that the Working Group expose the prepared issue paper that details the consideration of ASU 2017-12 within the three agenda items and the adopted statutory revisions. Upon adoption of this issue paper, NAIC staff recommend the Working Group dispose this agenda item (Ref 2017-33) as the review of ASU 2017-12 is considered complete. If further discussion is warranted on derivatives, either from an element within the ASU or new GAAP guidance, a new agenda item will be drafted. (No adopted guidance is within the agenda item, so it will not be posted on the website with the issue paper. It will just be noted as complete within the maintenance agenda with reference to the agenda items with adopted guidance.)**

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| **Ref #** | **Title** | **Attachment #** |
| **2019-21**  **(Julie)** | Proposed Bond Definition | **J - Issue Paper**  **K – Reporting Docs:**  **K.1 – General Inst.**  **K.2 – Schedule D**  **K.3 – Other A/S** |

*Summary:*

Pursuant to direction in October 2020, state insurance regulators and key industry representatives, have been working dedicatedly on the bond project to principally define a bond for reporting on Schedule D-1 and to improve accounting and reporting. The intent of this project is to establish principle-based guidance for determining bonds, with a focus of substance over form, in such a manner so that the framework and principles established will be able to work for an increasingly innovative market and will provide regulators and other financial statement users with the transparency for understanding the risks present in an insurer’s investment portfolio.

On a November 16, 2022, conference call, the Working Group considered comments revisions and exposed updated versions of *SSAP No. 26R—Bonds* and *SSAP No. 43R—Asset-Backed Securities* to reflect authoritative guidance to reflect the principles-based bond definition and revised statutory accounting guidance. This exposure also included proposed revisions to other SSAPs to update other areas for the updated bond guidance. This exposure included revisions to *SSAP No. 2R—Cash, Cash Equivalents, Drafts and Short-Term Investments* to exclude ABS from being reported as a cash equivalent or short-term investment, as well as revisions to *SSAP No. 21R—Other Admitted Assets* to detail the accounting and reporting guidance for debt securities that do not qualify as bonds.

As part of the discussion during the Nov. 16 call, the Working Group noted that an updated issue paper as well as updated documents to detail the bond reporting changes would be presented for exposure during the 2022 Fall National Meeting. These documents have been prepared for review and consideration:

* Issue Paper – This document has been revised to detail the revisions reflected from the last exposure period as well as to incorporate the updated SSAP guidance into the issue paper. The issue paper has also been revised to update the guidance for feeder funds pursuant to interim discussions with industry reps.
* Reporting Changes – 1) NAIC staff has reviewed the full blank and annual statement instructions and has identified all areas that may need to be revised to reflect the more granular reporting under the bond project. The document identifies all areas and an NAIC staff recommendation. Comments are requested on whether any aspects have been missed and if a different approach should be considered. 2) NAIC staff has updated the proposal for the general instructions and schedule D-1-1 and D-1-2 to reflect consideration of industry comments. Comments are requested on whether additional edits are needed.

*Recommendation:*

**NAIC staff recommend that the Working Group expose the updated issue paper as well as the reporting changes document to exposure. NAIC staff recommends that the Working Group sponsor a blanks proposal to incorporate the blanks reporting changes with an effective date of Jan. 1, 2025.** (Although the reporting changes document will be exposed for comment, NAIC staff recommend that we proceed with sharing this information with the staff of the Blanks (E) Working Group so they can provide comments and assessments on the proposed changes as they develop the blanks proposal.)

**ANY OTHER MATTERS**

1. Update on the Macroprudential Referral – (Robin) – (Attachment L)

The attachment provides an update on the status of completed and ongoing items noted in the referral from the Macroprudential (E) Working Group received by the Working Group at the Summer National Meeting.

1. Review of U.S. GAAP Exposures – (Jake) – (Attachment M)

The attachment details the items currently exposed by the FASB. NAIC staff recommends reviewing the issued ASUs under the standard SAP maintenance process. Comments are not recommended at this time – NAIC staff recommend review of the final issued ASU under the SAP Maintenance Process as detailed in *Appendix F—Policy Statements.*

**Comment Deadline for all Exposures is February 10, 2023.**

https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/National Meetings/A. National Meeting Materials/2022/Fall - December/Meeting/0-12-2022 SAPWG Meeting Agenda.docx