



*2026 Spring National Meeting
San Diego, California*

ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE

Tuesday, March 24, 2026
10:30 – 11:00 a.m.

Meeting Summary Report

The Accounting Practices and Procedures (E) Task Force met March 24, 2026. During this meeting, the Task Force:

1. Adopted its 2025 Fall National Meeting minutes.
2. Adopted the report of the Statutory Accounting Principles (E) Working Group which met March 23. During this meeting, the Working Group:
 - A. Adopted its 2025 Fall National Meeting minutes.
 - B. Adopted the following statutory accounting principle (SAP) concepts and clarifications to statutory accounting guidance:
 - i. Adopted revisions that provide guidance on the optional implementation period for *Valuation Manual* revisions regarding non-variable annuities. The revisions also update the phase-in disclosures for the phase-in period for the economic scenario generator. (Ref #2025-34)
 - ii. Adopted proposed concepts for an interest maintenance reserve (IMR) proof of reinvestment developed by the IMR Ad Hoc Group. Directed NAIC staff to continue to work with industry to refine the templates as part of the IMR work. (Ref #2025-23)
 - iii. Adopted revisions to clarify that sale-leasebacks with restrictions on access to cash or assets received from the sale do not qualify for sale-leaseback accounting and must be accounted for by the seller using the financing method. (Ref #2025-01)
 - iv. Adopted revisions that delete the shaded text instructions and delete previously superseded guidance in *Statement of Statutory Accounting Principles (SSAP) No. 40—Real Estate Investments*, currently shown as shaded text. The revisions also impact *SSAP No. 90—Impairment or Disposal of Real Estate Investments*, the *Summary of Changes*, and the *How to Use* document (Ref #2025-32)
 - v. Adopted revisions to *SSAP No. 47—Uninsured Plans* that clarify inconsistencies in the disclosure calculation and communicate support for the related annual statement blanks proposal to update note 18B gains/losses on administrative services contracts (ASCs). (Ref #2025-30)
 - vi. Adopted revisions to *SSAP No. 56—Separate Accounts* Financial Condition (E) Committee that address nonadmittance for assets held under the “general account basis” in the separate account and communicated support for the Blanks (E) Working Group proposal to incorporate the concept of nonadmitted assets within the separate account balance sheet and corresponding schedules. (Ref #2025-25)



- vii. Adopted revisions that allow repurchase agreements with maturity dates of more than one year to be admitted. (Ref #2025-28)
 - viii. Adopted revisions to *Interpretation (INT) 05-05: Accounting for Revenues Under Medicare Part D Coverage* that describe the Dec. 31, 2024, discontinuation of the coverage gap discount program and add reference to the federal Centers for Medicare & Medicaid Services (CMS) manufacturer's discount program. (Ref #2025-31)
 - ix. Annual Statement Blanks:
 - a. Adopted revisions that communicate support for a blanks proposal to clarify reporting on debt securities and to improve consistency in reporting. (Ref #2025-29)
 - b. Adopted revisions that communicate support for the blanks proposal to update and modernize expense descriptions and categories. (Ref #2025-33)
- C. Exposed the following SAP concepts and clarifications to statutory accounting guidance for a public comment period ending May 1:
- i. Re-exposed revisions requesting comments on whether to retain the restricted asset codes. (Ref #2025-27)
 - ii. Exposed editorial revisions: 1) to various SSAPs to replace the term "CUSIP" with "Security Identifier"; 2) to add "U.S." before "generally accepted accounting principles" (GAAP) or "GAAP" as appropriate; and 3) to remove the word "funding" from the beginning of the paragraph that describes Federal Home Loan Bank (FHLB) agreements. (Ref #2026-03EP)
 - iii. Exposed revisions to disclosures and glossary addition to *SSAP No. 52—Deposit-Type Contracts* for funding agreement-backed notes (FABNs) and other funding agreement-backed structures. Received a referral from the Macroprudential (E) Working Group to incorporate proposed disclosures for FABNs and other funding agreement-backed structures. The referral included a corresponding blanks proposal. (Ref #2026-01)
 - iv. Exposed revisions to *SSAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance* to clarify that funds withheld liabilities should be recorded equal to the book/adjusted carrying value (BACV) of the funds withheld assets. The exposure includes proposed revisions to the Life and Health Annual Statement Instructions on Schedule S (Reinsurance), Parts 3, 4, and 5, and the liabilities page. In addition, it includes proposed revisions to delete some legacy annual statement instructions regarding the use of Securities Valuation Office (SVO) fair values. (Ref #2026-02)
 - v. Exposed a draft SSAP and issue paper to incorporate new statutory accounting guidance allowing an amortized cost measurement method for a qualifying derivative program. The exposure included both the clean SSAP and a version that shows tracked changes from the prior American Council of Life Insurers (ACLI) version. (Ref #2024-15)
 - vi. Exposed the draft issue paper detailing the discussions supporting the adopted statutory trust guidance to allow reporting of qualifying items within the mortgage loan guidance. (Ref #2025-13)
- D. Directed NAIC staff on the following items:
- i. Directed NAIC staff to defer an item on negative IMR and reinsurance collateral until a response is received from the Reinsurance (E) Task Force on whether to use the symmetrical or asymmetrical approach. (Ref #2025-22)



- ii. Directed NAIC staff to work with industry directly in the interim to consolidate and clarify the disclosure requirements for commitments and contingent commitments, including the addition of a definition for commitments, as well as a new comprehensive commitments and contingent commitments disclosure. (Ref #2025-24)
 - iii. Directed NAIC staff to work with a limited industry focus group to develop proposed revisions in response to the comprehensive review of *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies* for subsequent review by the full Working Group. (Ref #2025-26)
- E. Received updates on the following:
- i. A referral from the Financial Condition (E) Committee. On Jan. 12, the Working Group received a referral from the Financial Condition (E) Committee to take steps to consider: 1) further education of how permitted practices may be used to address transition issues for Ref #2024-06: Risk Transfer Analysis of Combination Reinsurance Contracts; and 2) whether any tools were needed to accommodate states or jurisdictions that do not allow permitted practices as a matter of policy. In response to the Financial Condition (E) Committee referral, the Working Group’s chair directed a Jan. 26 distribution of an example permitted practice to clarify permitted practices and encourage uniform reporting among states to the chief financial regulators. A survey was conducted to see whether tools were needed for jurisdictions that, as a policy, do not grant permitted practices. The survey received 47 responses, and all respondents stated that no additional flexibility other than that provided through the permitted practice process was needed. The Working Group concluded that no further steps are needed at this time and directed this response to be sent to the Financial Condition (E) Committee.
 - ii. Revised *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*. On Feb. 24, the IMR Ad Hoc Group received an initial version of the revised *SSAP No. 7* to reflect Ad Hoc Group discussions. It is anticipated that the revised *SSAP*, draft issue paper, and documents that propose reporting revisions and revisions to other *SSAPs* will be presented for exposure to the full Working Group in the interim after the Spring National Meeting.
 - iii. A referral from the Life Risk-Based Capital (E) Working Group. The Working Group received an update that NAIC staff will collaborate with interested parties in identifying clarifications to respond to the referral from the Life Risk-Based Capital (E) Working Group, which was received at the 2025 Summer National Meeting. The referral forwarded comments received on proposal 2025-04-L (Other Long-Term Assets) (LR008). Specifically, the ACLI raised questions regarding asset valuation reserve (AVR) equity reporting lines for common stock in subsidiary, controlled, and affiliated (SCA) entities and other affiliates and requested clarifications to the AVR instructions.
 - iv. U.S. GAAP exposures. The Working Group noted that no items are currently exposed by the Financial Accounting Standards Board (FASB), and future items will follow the normal maintenance process.
 - v. International Association of Insurance Supervisors (IAIS) Accounting and Auditing Working Group (AAWG) activities. Some items of particular interest are that the AAWG discussed consideration of whether to classify crypto assets as intangible assets under the insurance capital standard (ICS) or to exclude them from qualifying capital resources and themes identified from the public consultation of the ICS implementation and revisions to Insurance Core Principle (ICP) 9 (Supervisory Review and Reporting) and ICP 20 (Public Disclosure).



3. Adopted the report of the Blanks (E) Working Group, which met March 5. During this meeting, the Working Group took the following action:
 - A. Adopted its Nov. 5, 2025, minutes (*see NAIC Proceedings – Fall 2025, Accounting Practices and Procedures (E) Task Force, Attachment Two*).
 - B. Adopted eight proposals:
 - i. 2025-17BWG Modified — Add an annual general interrogatory to indicate the method used for reporting residuals and update Notes to Financials (Note 1C6 and 5D) for consistent reporting between *Statement of Statutory Accounting Principles (SSAP) No. 26—Bonds, SSAP No. 43—Asset-Backed Securities, and SSAP No. 21—Other Admitted Assets*.
 - ii. 2025-18BWG — Add clarifying instructions for Health General Interrogatory 10.21 through 10.24 and an example to the Health General Interrogatory Part 2 Instructions. Add a cross-check from the general interrogatory to Exhibit 7, Part 1.
 - iii. 2025-19BWG Modified — Add a code of “S” to the Active Status column on Schedule T to identify if a license has been suspended.
 - iv. 2025-20BWG Modified — Update Schedule D, Part 6, Section 1 reporting categories and AVR lines to update the classification of investment subsidiaries.
 - v. 2025-21BWG — Add clarifications of definitions and requirements within the Property/Casualty (P/C) Actuarial Opinion to gain greater consistency and accuracy in reporting.
 - vi. 2025-22BWG Modified — Add an electronic-only column to the investment schedules to identify whether the investment is publicly registered, Rule 144, private placement security, or not applicable. Add a new part to Note 5 – Investments to report the total BACV, fair value (with fair values determined by level 2 and level 3 reported), the total amount of aggregate deferred interest and paid-in-kind (PIK) interest, and the total BACV supported by private letter ratings.
 - vii. 2025-28BWG Modified — Add two investment characteristics categories to the annual Schedule A, Part 1, to clarify if an investment is owned by a qualifying statutory trust. Update the annual and quarterly Schedule B instructions for reporting guidance for mortgages held in qualifying investments in statutory trusts, and add loan type codes to identify the mortgage loans.
 - viii. 2025-30BWG Modified — Update Notes to Financials Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans to clarify reporting retirement plan assets at net asset value (NAV).
 - C. Deferred five proposals with a 53-day public comment period ending April 28.
 - D. Re-exposed one proposal and exposed four new items for a 53-day public comment period ending April 28.
 - E. Received two memorandums:



- i. Statutory Accounting Principles (E) Working Group memorandum, which references Schedule S, Part 8—Reporting of Modco and Funds Withheld Assets.
 - ii. Macroprudential (E) Working Group memorandum, which references FABNs and other structures.
- F. Adopted its editorial listing.