



*2026 Spring National Meeting
San Diego, California*

STATUTORY ACCOUNTING PRINCIPLES (E) WORKING GROUP

Monday, March 23, 2026

8:30 – 10:30 a.m.

Meeting Summary Report

The Statutory Accounting Principles (E) Working Group met March 23, 2026. During this meeting, the Working Group:

1. Adopted its 2025 Fall National Meeting minutes.
2. Adopted the following statutory accounting principle (SAP) concepts and clarifications to statutory accounting guidance:
 - A. *Statement of Statutory Accounting Principles (SSAP) No. 3—Accounting Changes and Corrections of Errors, SSAP No. 51—Life Contracts, and SSAP No. 52—Deposit-Type Contracts*: Adopted revisions provide guidance on the optional implementation period for *Valuation Manual* revisions regarding the economic scenario generator and non-variable annuities. (Ref #2025-34)
 - B. *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*: 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)
 - C. *SSAP No. 22—Leases*: 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)
 - D. *SSAP No. 40—Real Estate Investments and SSAP No. 90—Impairment or Disposal of Real Estate Investments, the Summary of Changes, and the How to Use document*: Adopted revisions delete the shaded text instructions and delete previously superseded guidance in SSAP No. 40, currently shown as shaded text. (Ref #2025-32)
 - E. *SSAP No. 47—Uninsured Plans*: Adopted revisions 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)
 - F. *SSAP No. 56—Separate Accounts*: Adopted revisions 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)
 - G. *SSAP No. 103—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*: Adopted revisions allow repurchase agreements with maturity dates of more than one year to be admitted. (Ref #2025-28)
 - H. *Interpretation (INT) 05-05: Accounting for Revenues Under Medicare Part D Coverage*: Adopted revisions note 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)
- I. *Annual Statement Blanks*:
 - i. Adopted revisions communicate support for a blanks proposal to clarify reporting on debt securities, and to improve consistency in reporting. (Ref #2025-29)
 - ii. Adopted revisions communicate support for the blanks proposal to update and modernize expense descriptions and categories. (Ref #2025-33)
3. Exposed the following SAP concepts and clarifications to statutory accounting guidance for a public comment period ending May 1, 2026:
- A. *SSAP No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*: Re-exposed revisions requesting comments on whether to retain the restricted asset codes. (Ref #2025-27)
 - B. *SSAP No. 15—Debt and Holding Company Obligations, SSAP No. 52, and Various*: 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)
 - C. *SSAP No. 52*: Exposed revisions to disclosures and glossary addition to SSAP No. 52 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)
 - D. *SSAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance and Annual Statement Instructions and Blanks*: Exposed revisions to SSAP No. 61 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, proposed to delete some legacy annual statement instructions regarding the use of Securities Valuation Office (SVO) fair values. (Ref #2026-02)
 - E. *New SSAP and issue paper*: Exposed a draft SSAP and issue paper to incorporate new statutory accounting guidance allowing an amortized cost measurement method for a qualifying derivative program. 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)
 - F. *New draft issue paper regarding residential mortgage loans held in qualifying statutory trusts*: 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)
4. Directed NAIC staff on the following items:
- A. *SSAP No. 61*: Directed NAIC staff to defer this item until a response is received from the Reinsurance (E) Task Force on whether to utilize the symmetrical or asymmetrical approach. (Ref #2025-22)
 - B. Directed NAIC staff to work with industry directly in the interim to consolidate and clarify the disclosure requirements in *SSAP No. 1, SSAP No. 5—Liabilities, Contingencies and Impairments of Assets, SSAP No. 21—Other Admitted Assets, SSAP No. 26—Bonds, and SSAP No. 43—Asset-*



- Backed Securities* for commitments and contingent commitments, including the addition of a definition for commitments, and a new comprehensive commitments and contingent commitments disclosure. (Ref #2025-24)
- C. Directed NAIC staff to work with a limited industry focus group (e.g., 2–4 dedicated industry representatives) 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)
5. Received updates on the following:
- A. Received a Jan. 12 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.
 - B. On Feb. 24, 2026, 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.
 - C. 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.
 - D. U.S. GAAP exposures, noting that no items are currently exposed by the Financial Accounting Standards Board (FASB), and future items will follow the normal maintenance process.
 - E. 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).