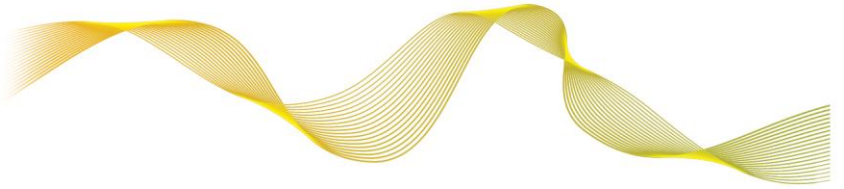




2026 SPRING NATIONAL MEETING
SAN DIEGO, CA



Draft date: 3/2/26

*2026 Spring National Meeting
San Diego, California*

ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE

Tuesday, March 24, 2026

10:30 – 11:00 a.m.

Manchester Grand Hyatt—Grand Hall D—Level 1

ROLL CALL

NAIC Member

Amanda Crawford, Chair
Larry D. Deiter, Vice Chair
Mark Fowler
Ricardo Lara
Michael Conway
Joshua Hershman
Trinidad Navarro
Karima M. Woods
Michael Yaworsky
Dean L. Cameron
Holly W. Lambert
Doug Ommen
Vicki Schmidt
Sharon P. Clark
Michael T. Caljouw
Anita G. Fox
Grace Arnold
Mike Chaney
Angela L. Nelson
Remedio C. Mafnas
Eric Dunning
Ned Gaines
Susan Ochs
Kaitlin Asrow
Judith L. French
Glen Mulready
TK Keen
Michael Humphreys
Elizabeth Kelleher Dwyer
Michael Wise

Representative

Jamie Walker, Chair
Johanna Nickelson, Vice Chair
Sheila Travis
Kim Hudson
Rolf Kaumann
William Arfanis
Nicole Brittingham
N. Kevin Brown
Carolyn Morgan
Eric Fletcher
Roy Eft
Daniel Mathis
Tish Becker
Mark Griggs
John Turchi
Kristin Hynes
Kathleen Orth
Chad Bridges
Danielle Smith
Maryann Borja-Arriola
Tadd Wegner
Diana Branciforte
Susan Ochs
Bob Kasinow
Dale Bruggeman
Ryan Rowe
Paul Throckmorton
Diana Sherman
John Tudino
Ryan Basnett

State/Territory

Texas
South Dakota
Alabama
California
Colorado
Connecticut
Delaware
District of Columbia
Florida
Idaho
Indiana
Iowa
Kansas
Kentucky
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
N. Mariana Islands
Nebraska
Nevada
New Jersey
New York
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina



NAIC Member	Representative	State/Territory
Kaj Samsom	Dan Petterson/Karen Ducharme	Vermont
Scott A. White	Doug Stolte	Virginia
Patty Kuderer	Steve Drutz	Washington
Allan L. McVey	Justin E. Parr	West Virginia
Nathan Houdek	Amy Malm	Wisconsin

NAIC Committee Support: Robin Marcotte

AGENDA

1. Consider Adoption of its 2025 Fall National Meeting Minutes
—*Jamie Walker (TX)* Attachment One
2. Consider Adoption of the Reports of its Working Groups
—*Jamie Walker (TX)*
 - A. Statutory Accounting Principles (E) Working Group
—*Kevin Clark (IA)* Attachment Two
 - B. Blanks (E) Working Group—*Roy Eft (IN)* Attachment Three
3. Discuss Any Other Matters Brought Before the Task Force
—*Jamie Walker (TX)*
4. Adjournment

Draft Pending Adoption

Draft: 12/18/25

Attachment One

Accounting Practices and Procedures (E) Task Force
Hollywood, Florida
December 10, 2025

The Accounting Practices and Procedures (E) Task Force met in Hollywood, FL, Dec. 10, 2025. The following Task Force members participated: Cassie Brown, Chair, represented by Jamie Walker (TX); Angela L. Nelson, Vice Chair, represented by Shannon Schmoeger (MO); Heather Carpenter represented by David Phifer (AK); Mark Fowler represented by Lori Brock (AL); Ricardo Lara represented by Kim Hudson (CA); Jared Kosky represented by William Arfanis and Wayne Shepherd (CT); Karima M. Woods represented by Yohanness Negash (DC); Trinidad Navarro represented by Rylynn Brown (DE); Michael Yaworsky represented by Corey Hubbard (FL); Doug Ommen represented by Kevin Clark (IA); Dean L. Cameron represented by Amber Re and Eric Fletcher (ID); Holly W. Lambert represented by Roy Eft (IN); Vicki Schmidt represented by Levi Nwasoria (KS); Sharon P. Clark represented by Mark Griggs (KY); Michael T. Caljouw represented by Jim McCarthy (MA); Robert L. Carey represented by Vanessa Sullivan (ME); Anita G. Fox represented by Kristin Hynes (MI); Grace Arnold represented by Kathleen Orth (MN); Mike Chaney represented by Chad Bridges (MS); Mike Causey represented by Jacqueline Obusek (NC); Eric Dunning represented by Tadd Wegner (NE); Justin Zimmerman represented by David Wolf (NJ); Ned Gaines represented by Steve Ross and Diana Branciforte, (NV); Kaitlin Asrow represented by Bob Kasinow (NY); Judith L. French represented by Dale Bruggeman (OH); Glen Mulready represented by Ryan Rowe and Eli Snowbarger (OK); TK Keen represented by Paul Throckmorton (OR); Michael Humphreys represented by Diana Sherman (PA); Elizabeth Kelleher Dwyer represented by John Tudino (RI); Michael Wise represented by Ryan Basnett (SC); Larry D. Deiter represented by Johanna Nickelson (SD); Carter Lawrence represented by Trey Hancock (TN); Scott A. White represented by Doug Stolte and Jennifer Blizzard (VA); Kaj Samsom represented by Dan Petterson and Karen Ducharme (VT); Patty Kuderer represented by Steve Drutz (WA); and Nathan Houdek represented by Amy Malm (WI).

1. Adopted its Summer National Meeting Minutes

Obusek made a motion, seconded by Malm, to adopt the Task Force's Aug. 12 minutes (*see NAIC Proceedings Summer 2025, Accounting Practices and Procedures (E) Task Force*). The motion passed unanimously.

2. Adopted the Report of the Statutory Accounting Principles (E) Working Group

Bruggeman provided the report of the Statutory Accounting Principles (E) Working Group, which met Dec. 9. During this meeting, the Working Group took the following action:

- A. Adopted its Summer National Meeting minutes.
- B. Adopted its Sept. 10 minutes. During this meeting, the Working Group took the following action:
 - i. Heard a presentation from the American Council of Life Insurers (ACLI) on two draft proposals for asset liability matching (ALM) derivatives.
 - ii. Exposed agenda item 2024-15 (ALM Derivatives), the ACLI presentation on ALM derivatives, and the two ACLI proposal drafts for a 51-day public comment period ending Oct. 31.
- C. Adopted its Oct. 6 minutes. During this meeting, the Working Group took the following action:

Draft Pending Adoption

- i. Exposed the revised agenda item 2025-19 (Private Securities), including the interested party and Working Group edits discussed during the meeting, for a 25-day public comment period ending Oct. 31. Attachment One
- D. Adopted the following statutory accounting principle (SAP) concepts and clarifications to statutory accounting guidance:
- i. *Preamble*: Adopted revisions to the Preamble to clarify treatment of issue papers in Level 5 and reference U.S. Securities and Exchange Commission (SEC) rules and interpretations as sources of authoritative U.S. generally accepted accounting principles (GAAP) for SEC registrants. (Ref #2025-12EP)
 - ii. *Statement of Statutory Accounting Principles (SSAP) No. 2—Cash, Cash Equivalents, Drafts and Short-Term Investments, SSAP No. 21—Other Admitted Assets, SSAP No. 26—Bonds, and SSAP No. 43—Asset-Backed Securities*: Adopted revisions, effective Dec. 31, 2026, to incorporate a new reporting column to identify private placement securities in relevant investment schedules and an aggregate disclosure that details key investment information by type of public or private security. (Ref #2025-19)
 - iii. *SSAP No. 21, SSAP No. 26, and SSAP No. 43*: Adopted revisions, effective Dec. 31, 2026, to clarify the existing disclosure financial statement note location and frequency for debt security disclosures and incorporate disclosures for residuals that identify the company’s measurement method, whether the company is transitioning from the practical expedient to the allowable earned yield (AEY) method, and for those following the AEY method, information comparable to SSAP No. 43 for impaired securities. (Ref #2025-20)
 - iv. *SSAP No. 37—Mortgage Loans and SSAP No. 40—Real Estate Investments*: Adopted new SAP concept revisions to allow residential mortgage loans held in qualifying statutory trusts to be captured in the scope of SSAP No. 37. These revisions are effective Jan. 1, 2027, with early adoption permitted. (Ref #2025-13)
 - v. *SSAP No. 92—Postretirement Benefits Other Than Pensions and SSAP No. 102—Pensions*: Adopted revisions to clarify that retirement plan assets can be held at net asset value (NAV) and shall be included in the required fair value disclosure. (Ref #2025-21)
 - vi. *SSAP No. 101—Income Taxes*: Adopted, with modification, certain revisions from *Accounting Standards Update (ASU) 2019-12, Simplifying the Accounting for Income Taxes*. The revisions also incorporate U.S. GAAP guidance previously incorporated by reference. (Ref #2025-18)
 - vii. *Annual Statement Blanks and Instructions*: Adopted revisions to support removing the investment subsidiary concept from statutory reporting. This adoption action includes sponsoring a blanks proposal to remove annual statement reporting components as well as a referral to the Capital Adequacy (E) Task Force to eliminate risk-based capital (RBC)-related instructions. (Ref #2024-21)
- E. Exposed the following SAP concepts and clarifications to statutory accounting guidance for a public comment period ending Feb. 13, 2026:
- i. *SSAP No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*: Exposed revisions to add a new investment schedule reporting code to identify restricted assets held under a modified coinsurance (modco) and funds withheld arrangement. (Ref #2025-27)

Draft Pending Adoption

- ii. *SSAP No. 1, SSAP No. 5—Liabilities, Contingencies and Impairments of Assets, SSAP Attachment One No. 21, SSAP No. 26, and SSAP No. 43*: Exposed revisions to consolidate and clarify the disclosure requirements 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)
- iii. *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*: Exposed proposed concepts and templates for an interest maintenance reserve (IMR) proof of reinvestment developed by the IMR Ad Hoc Group. (Ref #2025-23)
- iv. *SSAP No. 22—Leases*: Exposed further 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)
- v. *SSAP No. 40 and SSAP No. 90—Impairment or Disposal of Real Estate Investments*: Exposed revisions to delete the shaded text instructions and delete previously superseded guidance in SSAP No. 40 currently shown as shaded text. (Ref #2025-32)
- vi. *SSAP No. 47—Uninsured Plans*: Exposed revisions correct inconsistencies in the calculation used to disclose in note 18B gains/losses on administrative services contracts (ASCs). (Ref #2025-30)
- vii. *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies*: Exposed agenda item proposes a review of several SSAP No. 48 concepts, and how they are applied to ensure intended guidance is clear and consistently applied. (Ref #2025-26)
- viii. *SSAP No. 51—Life Contracts and SSAP No. 52—Deposit-Type Contracts*: Exposed revisions provide guidance on the optional implementation period for *Valuation Manual* revisions regarding the economic scenario generator and non-variable annuities. (Ref #2025-34)
- ix. *SSAP No. 56—Separate Accounts*: Exposed revisions explicitly address nonadmittance for assets held under the “general account basis” in the separate account, and proposed revisions to incorporate the concept of nonadmitted assets within the separate account balance sheet and corresponding schedules. (Ref #2025-25)
- x. *SSAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance*: Exposed revisions clarify how IMR eliminated as part of a reinsurance transaction should influence the reinsurance collateral required to receive reinsurance credit. Exposure requests comments on whether different IMR treatments should be considered specifically, and whether negative IMR eliminated from reinsurance transactions impacts the reinsurance collateral. (Ref #2025-22)
- xi. *SSAP No. 103—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*: Exposed revisions allow repurchase agreements with maturity dates in excess of one year to be admitted. (Ref #2025-28)
- xii. *Interpretation (INT) 05-05: Accounting for Revenues Under Medicare Part D Coverage*: Exposed revisions note the Dec. 31, 2024, end of the coverage gap discount program and add references to the replacement federal Centers for Medicare & Medicaid Services (CMS) manufacturer’s discount program. (Ref #2025-31)
- xiii. *Annual Statement Blanks*:

Draft Pending Adoption

- a. Exposed proposed revisions to clarify reporting on debt securities, and requested Attachment One comments on additional reporting elements to improve consistency in reporting. (Ref #2025-29)
 - b. Exposed revisions to update and modernize expense descriptions and categories. (Ref #2025-33)
- F. Directed NAIC committee support on the following items:
- i. New SSAP: Directed NAIC committee support to prepare an issue paper and concurrent SSAP to reflect statutory accounting guidance for interest-rate hedging derivatives used for ALM using the amortized cost approach. (Ref #2024-15)
- G. Received updates on the following:
- i. A memorandum to the Blanks (E) Working Group clarifying that the intent of the new reporting on Schedule S, Part 8, was not to change any part of the way that assets subject to a modco or funds withheld arrangement are factored into the life/fraternal RBC calculation, and that the goal of Schedule S, Part 8, is to create a schedule that matches with the existing reporting in RBC and does not change or override the guidance that exists in life/fraternal RBC reporting.
 - ii. IMR Ad Hoc Group activities, noting that the discussions have focused on the proof of reinvestment, the concept of “disallowed” IMR, separate account reporting, amortization of IMR, and updating the NAIC designation change guidance for allocating realized gains and losses to either IMR or asset valuation reserve (AVR). Remaining topics include excess withdrawals, market value adjustments, modco/funds withheld (FWH) reinsurance transactions, and the admittance limit.
 - iii. Notice of a potential Macprudential (E) Working Group referral regarding disclosure requirements for financial asset-backed notes.
 - iv. Discussion of a printed *Accounting Practices and Procedures Manual* (AP&P Manual), resulting in support of no longer printing Volume II if it allows for more copies of Volume I to be printed.
 - v. Received an update that NAIC committee support will collaborate with interested parties in identifying possible clarifications to respond to the referral from the Life Risk-Based Capital (E) Working Group received at the Summer National Meeting to distinguish between “Certain Other” and “Other” AVR equity reporting lines for subsidiary, controlled, and affiliated entities (SCA) investments.
 - vi. 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.
 - vii. International Association of Insurance Supervisors (IAIS) Accounting and Auditing Working Group activities. Some items of particular interest are the International Accounting Standards Board’s (IASB’s) potential exposure of targeted improvements to amortized cost measurement expected in International Financial Reporting Standard (IFRS) 9, Financial Instruments, discussions on private equity investments in accounting firms and related ethical and independence considerations, and the insurance capital standard (ICS) implementation and revisions to Insurance Core Principle (ICP) 9 (Supervisory Reporting) and ICP 20 (Public Disclosure).

Bruggman made a motion, seconded by Hudson, to adopt the report of the Statutory Accounting Principles (E) Working Group (Attachment One). The motion passed unanimously.

Draft Pending Adoption

3. Adopted the Report of the Blanks (E) Working Group

Attachment One

Eft provided the report of the Blanks (E) Working Group, which met Nov. 5. During this meeting, the Working Group took the following action:

- A. Adopted its Aug. 6 minutes, which included the following action:
 - i. Adopted its May 29 minutes.
 - ii. Adopted proposal 2025-16BWG to: 1) update the Health Annual Statement Instructions for the prescribed language for Statement of Actuarial Opinion (SAO), Section 4 (Identification Section), for consistency in reporting; and 2) update SAO, Section 7 (Opinion Section), Item C, to be consistent with the Life Annual Statement Instructions and Valuation Manual (VM)-30, Actuarial Opinion and Memorandum Requirements.
 - iii. Adopted its editorial listing.
- B. Exposed four new items for a 90-day public comment period ending Feb. 6, 2026.
- C. Adopted its editorial listing.
- D. Approved the state filing checklists.

Eft made a motion, seconded by Drutz, to adopt the report of the Blanks (E) Working Group (Attachment Two). The motion passed unanimously.

Having no further business, the Accounting Practices and Procedures (E) Task Force adjourned.

SharePoint/NAIC Support Staff Hub/Committees ...[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/E CMTE/APPTF/2025 Fall/minutes and summary/APPTF Minutes12-10-25 after TPR.docx](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/E%20CMTE/APPTF/2025%20Fall/minutes%20and%20summary/APPTF%20Minutes12-10-25%20after%20TPR.docx)

Attachment Two
(Pending)

Report of the
Statutory Accounting Principles
(E) Working Group

Virtual Meeting

BLANKS (E) WORKING GROUP

March 5, 2026

Summary Report

The Blanks (E) Working Group met March 5, 2026. During this meeting, the Working Group:

1. Adopted its Nov. 5, 2025, minutes (*see NAIC Proceedings, Fall 2025, Accounting Practices and Procedures (E) Task Force, Attachment Two*).
2. Adopted eight proposals:
 - A. 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*.
 - B. 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 crosscheck from the general interrogatory to Exhibit 7, Part 1.
 - C. 2025-19BWG Modified — Add a code of “S” to the Active Status column on Schedule T to identify if a license has been suspended.
 - D. 2025-20BWG Modified — Update Schedule D, Part 6, Section 1 reporting categories and asset valuation reserve (AVR) lines to update the classification of investment subsidiaries.
 - E. 2025-21BWG — Added clarifications of definitions and requirements within the Property/Casualty (P/C) Actuarial Opinion to gain greater consistency and accuracy in reporting.
 - F. 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 book/adjusted carrying value (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 interest, and the total BACV supported by private letter ratings.
 - G. 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.
 - H. 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).
3. Deferred five proposals with a 53-day public comment period ending April 28.
4. Re-exposed one proposal and exposed four new items for a 53-day public comment period ending April 28.

5. Received two memorandums:
 - A. Statutory Accounting Principles (E) Working Group memorandum, which references Schedule S, Part 8—Reporting of Modco and Funds Withheld Assets.
 - B. Macroprudential (E) Working Group memorandum, which references funding agreement-backed notes (FABNs) and other structures.

6. Adopted its editorial listing.