Draft date: 10/20/26

2026 Fall National Meeting
Dallas, Texas

ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE
Monday, November 16, 2026
1:30 – 2:00 p.m.
Convention Center—Grapevine A123—Level 3

ROLL CALL

NAIC Member	Representative	State/Territory
Amanda Crawford, Chair	Jamie Walker	Texas
Larry D. Deiter, Vice Chair	Johanna Nickelson	South Dakota
Mark Fowler	Sheila Travis	Alabama
Ricardo Lara	Kim Hudson	California
Michael Conway	Rolf Kaumann/Keith Warburton	Colorado
Joshua Hershman	William Arfanis	Connecticut
Trinidad Navarro	Nicole Brittingham	Delaware
Karima M. Woods	N. Kevin Brown	District of Columbia
Michael Yaworsky	Carolyn Morgan	Florida
Dean L. Cameron	Eric Fletcher	Idaho
Holly W. Lambert	Roy Eft	Indiana
Doug Ommen	Daniel Mathis	Iowa
Vicki Schmidt	Tish Becker	Kansas
Sharon P. Clark	Neriette Eldridge	Kentucky
Sandra Darby	Vanessa Sullivan	Maine
Michael T. Caljouw	John Turchi	Massachusetts
Anita G. Fox	Kristin Hynes	Michigan
Julia Dreier	Kathleen Orth	Minnesota
Mike Chaney	Mark Cooley	Mississippi
Angela L. Nelson	Danielle Smith	Missouri
Eric Dunning	Tadd Wegner	Nebraska
Ned Gaines	Diana Branciforte	Nevada
Susan Ochs	Susan Ochs	New Jersey
Kaitlin Asrow	Avani Shah/Bob Kasinow	New York
Remedio C. Mafnas	Maryann Borja-Arriola	Northern Mariana Islands
Judith L. French	Dale Bruggeman	Ohio
Glen Mulready	Ryan Rowe	Oklahoma
TK Keen	Paul Throckmorton	Oregon
Michael Humphreys	Diana L. Sherman	Pennsylvania
Elizabeth Kelleher Dwyer	John Tudino	Rhode Island
Michael Wise	Ryan Basnett	South Carolina
Kaj Samsom	Dan Petterson/Karen Ducharme	Vermont

NAIC Member	Representative	State/Territory
Scott A. White	Doug Stolte	Virginia
Patty Kuderer	Steve Drutz	Washington
Erin K. Hunter	Justin E. Parr	West Virginia
Nathan Houdek	Amy Malm	Wisconsin

NAIC Committee Support: Robin Marcotte

AGENDA

1. Consider Adoption of its Summer National Meeting Minutes — Attachment One
   —*Jamie Walker (TX)*

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: 8/21/26

Accounting Practices and Procedures (E) Task Force
Columbus, Ohio
August 13, 2026

The Accounting Practices and Procedures (E) Task Force met in Columbus, OH, Aug. 13, 2026. The following Task Force members participated: Amanda Crawford, Chair, represented by Jamie Walker (TX); Larry D. Deiter, Vice Chair, represented by Johanna Nickelson (SD); Mark Fowler represented by Richard (Hamp) Russell (AL); Ricardo Lara represented by Kim Hudson (CA); Michael Conway represented by Keith Warburton (CO); Joshua Hershman represented by William Arfanis (CT); Karima M. Woods represented by N. Kevin Brown (DC); Trinidad Navarro represented by Charles Santana (DE); Michael Yaworsky represented by Corey Hubbard (FL); Doug Ommen represented by Kevin Clark and Daniel Mathis (IA); Dean L. Cameron represented by Eric Fletcher (ID); Holly W. Lambert represented by Roy Eft (IN); Vicki Schmidt represented by Tish Becker (KS); Sharon P. Clark represented by Neriette Eldridge (KY); Michael T. Caljouw represented by James A. McCarthy (MA); Timothy N. Schott represented by Vanessa Sullivan (ME); Anita G. Fox represented by Kristin Hynes (MI); Julia Dreier represented by Kathleen Orth (MN); Angela L. Nelson represented by John F. Rehagen (MO); Mike Chaney represented by Josh Ammerman (MS); Eric Dunning represented by Tadd Wegner (NE); Susan Ochs represented by Paul Lupo (NJ); Kaitlin Asrow represented by Bob Kasinow (NY); Judith L. French represented by Dale Bruggeman (OH); Glen Mulready represented by Eli Snowbarger (OK); TK Keen represented by Paul Throckmorton (OR); Michael Humphreys represented by Diana L. Sherman (PA); Elizabeth Kelleher Dwyer represented by John Tudino and Liz Ammerman (RI); Michael Wise represented by Ryan Basnett (SC); Scott A. White represented by Doug Stolte (VA); Kaj Samsom represented by Karen Ducharme (VT); Patty Kuderer represented by Steve Drutz (WA); Nathan Houdek represented by Amy Malm (WI); and Erin K. Hunter represented by Justin E. Parr (WV).

1. Adopted its Spring National Meeting Minutes

Bruggeman made a motion, seconded by Fletcher, to adopt the Task Force's March 24 minutes (*see NAIC Proceedings Spring 2026, Accounting Practices and Procedures (E) Task Force*). The motion passed unanimously.

2. Adopted its 2027 Proposed Charges

Walker stated that the 2027 proposed charges of the Task Force were the same as the prior year, except for one change in the charges of the Blanks (E) Working Group to update the reference to the now-disbanded Valuation of Securities (E) Task Force to reference the current Invested Assets (E) Task Force or its Working Groups.

Hudson made a motion, seconded by Malm, to adopt the 2027 proposed charges of the Task Force (Attachment Three). The motion passed unanimously.

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

Clark provided the report of the Statutory Accounting Principles (E) Working Group, which met Aug. 12. During this meeting, the Working Group took the following action:

A. Adopted its May 18 minutes. During this meeting, the Working Group adopted the following statutory accounting principle (SAP) concepts and clarifications:

   i. *Statements of Statutory Accounting Principles (SSAP) No. 1—Accounting Policies, Risks & Uncertainties and Other Disclosures*: Adopted revisions that add restricted asset categories for: 1) collateral assets

received and on the balance sheet; 2) assets under modified coinsurance (modco) reinsurance agreements; and 3) assets held under funds withheld reinsurance agreements. (Ref #2025-27)

ii. *SSAP No. 37—Mortgage Loans*: Adopted Issue Paper No. 172 Qualifying Statutory Trusts. (Ref #2025-13)

iii. *SSAP No. 52—Deposit-Type Contracts*: Adopted disclosures for funding agreement-backed notes (FABNs) and other similar structures, as well as a glossary to define the different structures. (Ref #2026-01)

iv. Editorial revisions to multiple SSAPs, including removing the word "funding" from the beginning of the paragraph that describes Federal Home Loan Bank (FHLB) agreements, replacing the term "CUSIP" with "Security Identifier," and adding "U.S." before generally accepted accounting principles (GAAP) as appropriate. (Ref #2026-03EP)

During its May 18 meeting, the Working Group also exposed the following SAP concepts and clarifications to statutory accounting guidance:

i. SSAP No. 1: Exposed revisions to clarify that the restricted asset reporting for securities lending transactions shall reflect the asset lent by the reporting entity still reflected on the reporting entity's financial statements and not collateral received. (Ref #2026-05)

ii. *SSAP No. 24—Discontinued Operations and Unusual or Infrequent Items*: Exposed revisions to reject *Accounting Standards Update* (*ASU) 2025-10, Accounting for Government Grants Received by Business Entities,* incorporate terminology changes, and clarify that government grants are to be recorded as gain contingencies. (Ref #2026-04)

iii. *SSAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance*: Exposed revisions to clarify how funds withheld liabilities shall be recorded. (Ref #2026-02)

iv. SSAP No. 100: Exposed revisions to eliminate the disclosure exclusion for "investments accounted for under the equity method" from the fair value financial instrument disclosure. (Ref #2026-06)

v. Annual statement: Exposed revisions to the Life, Accident and Health/Fraternal Annual Statement Blank and Instructions to clarify what shall be reported as "Subsidiary, Controlled or Affiliated (SCA)-Certain Other" and "SCA-All Other." (Ref #2026-07)

vi. New SSAP and issue paper: Re-exposed SSAP No. 109 and the corresponding issue paper. (Ref #2024-15)

B. Adopted its April 22 minutes. During this meeting, the Working Group exposed the revised *SSAP No. 7—Asset Valuation Reserve and Interest Maintenance Reserve*, issue paper, revisions to other SSAPs, and proposed reporting revisions to incorporate new guidance for the interest maintenance reserve (IMR). (Ref #2023-14)

C. Adopted its Spring National Meeting minutes (*see NAIC Proceedings – Spring 2026, Accounting Practices and Procedures (E) Task Force, Attachment One*).

D. Adopted the following SAP clarifications:

i. SSAP No. 1: Adopted revisions to clarify that the security lending restricted asset reporting category shall reflect the security lent, which is reported in the insurer's investment schedules, not collateral received. (Ref #2026-05)

ii. SSAP No. 61: Adopted revisions to clarify that derecognized net positive IMR shall increase reinsurer collateral requirements, but that net-negative IMR shall not decrease collateral reinsurer requirements (asymmetrical method). Received the response from the Reinsurance (E) Task Force. (Ref #2025-22)

iii. *Interpretation (INT) 23-01: Net Negative (Disallowed) Interest Maintenance Reserve*: Adopted revisions extend the effective date to Dec. 31, 2027, with nullification on Jan. 1, 2028.

iv. Annual statement blanks and instructions: Adopted an agenda item supporting revisions to the Life, Accident and Health/Fraternal Annual Statement asset valuation reserve (AVR) schedule and instructions, including to clarify what shall be reported as "Subsidiary, controlled or affiliated (SCA)-Certain Other" and "SCA-All Other." The Working Group directed that the notice of adoption be sent to the Life Risk-Based Capital (E) Working Group. (Ref #2026-07)

E. Exposed new SAP concepts and clarifications for a public comment period ending Oct. 2:

i. SSAP No. 7: Exposed the revised SSAP, the issue paper, revisions to other SSAPs, and proposed reporting revisions reflecting edits presented during the meeting, with a revised Jan. 1, 2028, effective date. The net-negative IMR admittance limit was discussed, with the industry requesting to develop a plan to ensure compliance and accuracy of reporting for subsequent consideration. (Ref #2023-14)

ii. *SSAP No. 21—Other Admitted Assets*: Exposed an agenda item that requested comments on whether amounts realizable under insurance company-owned life insurance (ICOLI) policies should be captured on Schedule BA to capture investment risk. A referral to the Capital Adequacy (E) Task Force was directed to inform of the exposure and assess the risk-based capital (RBC). (Ref #2026-08)

iii. *SSAP No. 23—Foreign Currency Transactions and Translations*: Exposed revisions to remove the Canadian exception for foreign currency translation, requiring translation within each financial statement reporting line. (Ref #2026-15)

iv. SSAP No. 24: Exposed terminology revisions and new guidance to clarify that government grants are accounted for as gain contingencies. (Ref #2026-04)

v. *SSAP No. 26—Bonds*: Exposed revisions to expand requirements for asset-backed security (ABS) structures to qualify as bonds under the principles-based bond definition. With the revisions, non-self-liquidating ABS structures will need to qualify under the equity-backed criteria, and self-liquidating ABS with significant embedded asset-liability management risk will not qualify as bonds. (Ref #2026-10)

vi. *SSAP No. 37—Mortgage Loans*: Received the referral from the Investment Analysis (E) Working Group and exposed an agenda item to clarify the definition of a residential mortgage loan and assess characteristics and risk components of residential mortgage loans for more granular reporting and accounting guidance. (Ref #2026-11)

vii. *SSAP No. 47—Uninsured Plans* and *SSAP No. 54—Individual and Group Accident and Health Contracts*: Exposed revisions to specify that Medicaid contract payments classified as capitated payments are included in insured plans. The Working Group directed a notice of the exposure to the Health Risk-Based Capital (E) Working Group. (Ref #2026-13)

viii. SSAP No. 61 and annual statement instructions and blanks: Exposed revisions to clarify how funds withheld assets and liabilities shall be recorded. (Ref #2026-02)

ix. *SSAP No. 62—Property and Casualty Reinsurance*: Exposed revisions to add a new disclosure and request conceptual comments regarding the exception to retroactive accounting involving transactions with insurers 100% owned by a common parent. (Ref #2026-12)

x. *SSAP No. 86—Derivatives*: Exposed an agenda item detailing concept changes to the accounting and reporting of replication synthetic asset transactions (RSATs). (Ref #2026-09)

xi. SSAP No. 100: Received a referral from the Investment Analysis (E) Working Group and re-exposed the agenda item with an industry request to propose guidance to differentiate equity investments between "operating entities" and structures that hold investments. (Ref #2026-06)

xii. *SSAP No. 101—Income Taxes* and *INT 18-03: Additional Elements Under the Tax Cuts and Jobs Act (TCJA)*: Exposed revisions to nullify INT 18-03, effective Jan. 1, 2027, and to incorporate guidance in SSAP No. 101. (Ref #2026-14)

xiii. *SSAP No. 109* and corresponding issue paper: Exposed a revised SSAP No. 109 and corresponding issue paper, with a revised effective date of Jan. 1, 2028. The Working Group directed a referral to the Life Actuarial (A) Task Force, requesting consideration of a pilot program and a sponsored blanks proposal to incorporate new reporting lines on Schedule DB. (Ref #2024-15)

F. Received updates on the following:

i. Received information regarding reporting errors and noncompliance in statutory financial statements, highlighting an excessive number (57%) of items reported with Securities Valuation Office (SVO)-assigned designations on Schedule BA for improved RBC, items that did not have an SVO-assigned designation, and items that were misreported with a more favorable designation.
ii. Received a referral from the Life Risk-Based Capital (E) Working Group on collateral loans. This referral informs of actions taken to incorporate RBC for certain loans based on overcollateralization and requests that the Statutory Accounting Principles (E) Working Group incorporate additional disclosures on the independent verification of collateral fair value, details of the verification (including date and entity providing verification), and the range of the valuations.
iii. Received an update on *SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies* project discussions.
iv. Received an update on the commitments and contingencies disclosures discussions.
v. Received details on current U.S. GAAP exposures, noting that comments are not recommended and that the review of issued standards will occur under the normal maintenance process.
vi. Received a Life Actuarial (A) Task Force coordination memo and directed NAIC committee support to research coordination on one item.
vii. Received notice that the next International Association of Insurance Supervisors (IAIS) Accounting and Auditing Working Group meeting is Sept. 16–17, 2026.

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

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

The Blanks (E) Working Group conducted an e-vote that concluded July 29 to adopt its May 28 minutes. During this meeting, the Working Group:

A. Adopted its March 5 minutes (*see NAIC Proceedings, Spring 2026, Accounting Practices and Procedures (E) Task Force, Attachment Two*).

B. Adopted 16 proposals:

i. 2025-23BWG Modified – Update the Separate Account Assets page by adding "Nonadmitted Assets" and "Net Admitted General Account Assets." Add a new line on the Separate Account Summary of Operations for "Change in Nonadmitted Assets" within the surplus account. Insert a new page "Exhibit of Nonadmitted Assets" that will detail the current and prior total nonadmitted assets and the change in nonadmitted assets.
ii. 2025-24BWG – Update Notes to Financial Statements Note 18B – ASC Plans for the disclosure clarifications in SSAP No. 47.
iii. 2025-25BWG – Update Notes to Financial Statements Note #2 – Accounting Changes and Corrections of Errors, by adding the reference to *Valuation Manual* (VM)-20, Requirements for Principle-Based Reserves for Life Products.

iv. 2025-26BWG Modified –Update the annual statement expense categories and instructions to remove outdated expense terminology and update to reflect the current types of expenses that exist for companies.

v. 2025-27BWG Modified – Add a section to Life/Fraternal AVR to report collateralized loan obligations (CLOs). Add a footnote to Schedule D, Part 1, Section 2, to report the book/adjusted carrying value (BACV) by NAIC designation for CLOs.

vi. 2026-01BWG – Update Notes to Financial Statements Note #26 – Intercompany Pooling Arrangements to add instructions for modifications to an existing intercompany pooling arrangement that involved the transfer of assets with fair value that differ from statement value.

vii. 2026-02BWG Modified – Update Notes to Financial Statements Note #11 – Debt to add a cross-check between Note #11B – FHLB Agreements and General Interrogatory #26.

viii. 2026-03BWG Modified – Update the Life/Fraternal Annual and Quarterly Blanks and Instructions, Exhibit 5, General Interrogatory lines 27.6 and 27.7, Supplemental Exhibits and Schedules, Variable Annuities Supplement, to clarify how companies should report valuation standards for VM-22, Requirements for Principles-Based Reserves for Non-Variable Annuities, business. Add an annual supplement for VM-22 reserve reporting.

ix. 2026-04BWG Modified – Add a section to Notes to Financial Statements Note #11 – Debt to disclose funding agreements backing special purpose vehicles (SPV) issuances. Add a footnote to Life Statement Exhibit 7 to report the amount of total funding agreements backed by SPV issuances.

x. 2026-05BWG – Update the instructions to require explicit identification of instances where net asset value (NAV) is used by requiring direct reporting, rather than inference through omission, in the Fair Value Hierarchy Level and Method Used to Obtain Fair Value Code column in Schedules D and BA. The updates require completion of this column for all reported items and restrict reporting to indicators expressly permitted in the annual statement instructions.

xi. 2026-06BWG – Update Notes to Financial Statements Note #5L(1) to add a reconciling adjustment line to the illustration to identify the assets pledged under multiple arrangements.

xii. 2026-07BWG – Add clarifying instruction to Schedule D, Part 1, Sections 1 and 2, for the payment due at maturity column and to specify what reporting categories should be included in this column. Add clarifying instructions to the origination balloon payment percentage column on Schedule D, Part 1, Section 2. For Schedule BA, Parts 1, 2, and 3, add clarification to the maturity date column to complete the column if the investment has a contractual stated maturity date.

xiii. 2026-08BWG Modified – Add a code "O – Other" to the active status column on Schedule T for reporting entities that have a unique, restricted license type that does not fit into one of the other existing categories. Add a field to provide a description of the other license type, for example, captive insurers or international insurers. The proposal changes the "N – None of the Above" status code to "N – None," as instances where the existing codes do not apply would now be reported through the "O – Other" status code.

xiv. 2026-09BWG – Update the Five-Year Historical to add a line reporting short-term and cash equivalent affiliated investments**.**

xv. 2026-11BWG – Update Notes to Financial Statements Note #5A – Mortgage Loans by adding a paragraph to disclose mortgage loans acquired through a qualifying investment in a qualifying statutory trust.

xvi. 2026-12BWG – Update the AVR factors to zero in columns 7 and 9 for the Collateral Loan section.

C. Deferred two proposals and exposed five new proposals for a 60-day public comment period ending July 27.

D. Received SVO memorandum referral for the combining of security identifiers and adding a security identifier type field to the financial statements.

E. Adopted its editorial listing.

F. Discussed the Blanks (E) Working Group timeline:

i. The Working Group plans to meet Aug. 26. Proposals with an effective date of the first quarter of 2027 should have been submitted to NAIC committee support by July 27 to be considered for adoption during this meeting.

ii. Any new blanks changes having an effective date of annual 2027 or beyond need to be submitted 30 days prior to meetings and within policy statement timelines.

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.

Attachment Two

(pending)

Report of the

Statutory Accounting Principles

(E) Working Group

Virtual Meeting

BLANKS (E) WORKING GROUP
August 26, 2026

Summary Report

The Blanks (E) Working Group met Aug. 26, 2026. During this meeting, the Working Group:

1. Adopted its July 29 minutes (*see NAIC Proceedings, Summer 2026, Accounting Practices and Procedures (E) Task Force, Attachment Two*).

2. Adopted four proposals:
   A. 2026-13BWG Modified – Add an active status code column to the Cybersecurity Insurance Coverage Supplement, Part 5, and to the Private Flood Insurance Supplement, Parts 2 through 6, to identify the active status for each state.
   B. 2026-14BWG – Update Schedule P instructions with revisions exposed at the Casualty Actuarial and Statistical (C) Task Force.
   C. 2026-15BWG Modified – Update the "CUSIP" column throughout the annual and quarterly investment schedules to be a "Security Identifier" column to allow for different types of identifiers, such as Committee on Uniform Security Identification Procedures (CUSIP), CUSIP International Numbering System (CINS), Private Placement Numbers (PPNs), International Securities Identification Numbers (ISINs), and Legal Entity Cross-reference Identifier (LXID). Add a "Security ID Type" column to the investment schedules to identify what security identifier is being used. Update references to CUSIP throughout the annual and quarterly statements to the security identifier when the instructions are not specifically referring to CUSIP.
   D. 2026-17BWG – Update Annual General Interrogatory 25.04 and 25.05, changing "amount of collateral" to "assets lent." Update Notes to Financial Statements Note #5L(1) category "Collateral held under security lending agreements" to "Assets lent under security lending agreements."

3. Deferred two proposals and exposed three new proposals for a 70-day public comment period ending Nov. 3.

4. Withdrew two proposals sponsored by the Statutory Accounting Principles (E) Working Group to allow time for additional discussion.
   A. 2025-29BWG – Update Investment Schedules General Instructions restricted asset codes to add codes that were previously added to Notes to Financial Statements, Note 5L – Restricted Assets, for reporting funds withheld and modified coinsurance (modco) arrangements.
   B. 2026-16BWG – Update the list of disclosure exclusions for Notes to Financial Statements, Note #20C, to remove investments accounted for under the equity method.

5. Adopted its editorial listing.

6. Received an update on the Financial Data Repository (FDR) Modernization Project and freeze period.

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The NAIC is in the process of modernizing its annual and quarterly financial reporting system including the annual and quarterly statement filings, the supplemental filings, and the risk-based capital (RBC) filings. The modernization is intended to improve system flexibility, speed, and filing accuracy in statutory reporting; enhance automation and functionality to support modern regulatory needs; and enable modular design for easier upgrades and integration with emerging technologies.

NAIC committee support are working with its vendor, SAIC, to identify the reporting fields in XBRL format as well as working with the financial statement vendors. The PDFs will be created from the company data input into the vendor system. They will appear as they do now, with the exception of the Notes to the Financial Statement. All notes disclosures will appear in the electronic version, as well as in the PDF.

To facilitate the full transition to the new system, there will need to be a metadata freeze period. Metadata is the background information that describes, organizes, and gives context to the data. The freeze period means that all proposal changes to the annual and quarterly financial statements need to be adopted by May 2028 to be included in the year-end 2028 annual statement filing submitted in March 2029, and by Jan. 1, 2029, for the quarterly statement to be filed May 15, 2029. The date would be June for the RBC.

Changes after May/June 2028 would not be in effect until Jan. 1, 2030, essentially skipping any new changes for year-end 2029. This will allow SAIC and NAIC committee support to get everything in the new system ready for the first quarter reporting.

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