

● HIGH PRIORITY ● MODERATE PRIORITY ● LOW PRIORITY

Topic / Issue	What's the Rub? JLK Rosenberger Perspective	Applicable to	Financial Statement Impact	Disclosure	Effective Date	Ref #	SSAP	Status	Discussion
Principles-Based Bond Project	This began as a smaller project and has evolved into a major review and refinement of the definition of a bond and what qualifies as a bond to be reported on Schedule D-1 of the annual statement. Its impact will be pervasive to all insurance entities investing in the bond markets. Interested parties (industry) were highly involved in the final outcome of this pervasive reassessment. It will also have equal repercussions for investment firms advising their insurance industry clientele. Advisory firms will have accountability for ensuring their investment offerings to their insurance clients clearly qualify within the eventual bond definition refinement.	P&C Life Health	Y	Y	Effective 01/01/2025	2019-21	SSAP No. 26R and 43R New SAP Concept	Adopted 08/13/2023	Adoption revises SSAP No. 26R— <i>Bonds</i> and SSAP No. 43R— <i>Loan-Backed and Structured Securities</i> for the principles-based bond definition, the accounting for bonds (issuer credit obligations and asset-backed securities), as well as revisions to various SSAPs that have been updated to reflect the revised definition and/or SSAP references.
Negative IMR	The Spring National meeting brought extensive discussion on this new IMR concept originally proposed by the ACLI (or Council). ACLI feels in our rising interest rate environment, an inappropriate perception could prevail to public or rating agencies that financial strength has been negatively impacted through lower surplus and RBC ratios. Further, ACLI is concerned companies may use less prudent investment/risk management techniques to avoid creating negative IMR in their balance sheet. The Council had suggested seven "guardrails" for SAPWG to consider in buffering the ACLI negative IMR concerns. Subsequent to the NAIC Spring National meeting on March 23, 2023, SAPWG, via e-vote, exposed INT 2023-01T, which was subsequently adopted in the Fall NAIC SAPWG meeting with several modifications. As adopted, the INT allows a temporary option to admit negative IMR to the extent of 10% of general account adjusted C&S IF an RBC ratio of at least 300% greater than ACL is present. The INT is a temporary short-term solution, expiring January 1, 2026. Further, if the option is selected, there would be special reporting lines within the statutory quarterly and annual statements to reflect the amounts and impact of recognized negative IMR. There will also be fairly extensive statutory disclosures required in the Notes to Financial Statement presentation.	Life & Health	Y	Y	Effective immediately	2022-19	INT 23-01 New SAP Concept	Adopted 08/13/2023	Adoption provides an optional, limited-time guidance, which allows the admittance of net negative (disallowed) interest maintenance reserve (IMR) up to 10% of adjusted capital and surplus. INT 23-01: <i>Net Negative (Disallowed) Interest Maintenance Reserve</i> will be automatically nullified on January 1, 2026.

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2023 NAIC Accounting Practices & Procedures Manual	In speaking for all the statutory insurance accountants nationwide, we heartily and thankfully applaud the NAIC's action to locate a useful alternative to the Bookshelf platform.	N/A	N/A	N/A	TBD	N/A	N/A	Exposed	Through numerous goadings from Interested Parties to top NAIC management, the NAIC has once and for all committed to replace the cumbersome and wieldy Bookshelf product that has been the NAIC AP&P Manual delivery system for years. On February 6, 2023, NAIC management notified the public that a clean, searchable PDF version of the 2023 APP Manual would be available FREE to those purchasing the 2023 AP&P Bookshelf subscription Granted, updates to the 2023 Manual will still have to be accessed via the Bookshelf platform, but at least the 2023 full AP&P initial manual will be stand-alone. For 2024, NAIC has noted its commitment to locate an efficient and user-friendly alternative to the current situation.
Collateral for Loans	The regulators originating the request for this agenda item believe it is imperative to uphold the existing requirement to maintain audit requirements if joint ventures, partnerships, limited liability companies, or investments that would qualify as subsidiary-controlled or affiliated entities (SCA) and the collateral was directly held. These investments must qualify as admitted investments under SSAP No. 48 and SSAP No. 97 to qualify as collateral for loans. In the view of regulators, allowing fair value without an audit would lower the collateral requirement standard and allow potential arbitrage within RBC and admissibility of assets by using a collateral loan as the conduit. Additionally, they note concerns that a Level 3 fair value without a deep, active secondary market is subject to varying expert opinions and is difficult to take regulatory action.	N/A	N/A	N/A	TBD	2022-11	SSAP No. 21R SAP Clarification	Adopted 10/23/2023 Effective Immediately	Last year the Working Group re-exposed revisions to SSAP No. 21R to clarify that invested assets pledged as collateral for admitted collateral loans must qualify as admitted invested assets. Final changes are continuing to require the use of audits of collateral where indicated for admissibility and to revise the standard to note that a fair value comparison is required unless the collateral would be considered a SSAP No. 48 or a SSAP No. 97 investment, in which case, the comparison is to audited net equity value. Audited equity value reflects the value that would likely be the day 2 value reported in the event the collateral was used to make the debt holder whole for these assets.

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Modification to an Existing Intercompany Pooling Arrangement	The key here is inconsistent language between SSAP No. 25, SSAP No. 62R, and INT 03-02; SSAP No. 25 should govern all related party transactions. NAIC staff has recommended the Working Group defer action and have the direct NAIC staff continue to work with Interested Parties on a proposal for to be provided at the 2024 Spring National Meeting.	N/A	N/A	N/A	TBD	2022-12	INT 03-02	Exposed	Discussions with interested parties have highlighted: 1) that they share the intent that the prior guidance in INT 03-02 should have a very limited scope; 2) differences in pricing exists for some intercompany pooling contracts; and 3) both NAIC staff and interested parties agree that the guidance is not intended to require some members of the same intercompany pool to account for the contract differently (that is some members applying retroactive accounting and some applying prospective accounting). However, more discussions are needed to resolve some of the identified issues.
Review Annual Statement Instructions for Accounting Guidance	This should be of interest to all the long-term statutory insurance accountants that have observed certain annual statement (AS) instructions can tend to include more promulgated direction than the actual SSAP to which the topic pertains. Considering the volume of SSAPs and AS instructions, it will be a broad project, although NAIC staff feels there will be limited situations where AS instructions prevail over SSAP.	N/A	N/A	N/A	TBD	2023-01	N/A	Exposed	This project was developed to establish a program to review the annual and quarterly statement instructions to ensure that all accounting guidance is properly reflected within the Statements of Statutory Accounting Principles (SSAPs). Although duplication or reference of accounting guidance may occur for ease of applying the reporting guidance, the direction of this project is to ensure that the annual or quarterly statement instructions are not the source of statutory accounting guidance. For purposes of this agenda item, accounting guidance is intended to refer to measurement, valuation, admittance/non-admittance, as well as assets and liabilities that should be recognized or derecognized within the statutory financial statements.
Conceptual Framework – Updates	These clarifications are recommended because of the authoritative treatment that statutory accounting provides to the definition of an asset and a liability in SSAP No. 4 and SSAP No. 5R. For GAAP, the FASB Conceptual statements definitions are not authoritative but rather are concepts to consider when developing and applying guidance. The FASB Basis for Conclusions noted that some existing authoritative FASB literature regarding liabilities is inconsistent with the updates to Concepts Statement No. 8. Therefore, a statutory modification regarding topic-specific liabilities guidance was recommended and adopted. The concept to keep in mind here is that FASB modified several fundamental definitions of assets and liabilities, which the statutory process typically mirrors.	P&C Life Health	N/A	N/A	Effective immediately	2022-01	SSAP No. 5R, IP No. 168 SAP Clarification	Adopted - 08/13/23	The Working Group re-exposed revisions to SSAP No. 5R— <i>Liabilities, Contingencies and Impairment of Assets</i> and Issue Paper No. 16X— <i>Updates to the Definition of a Liability</i> . The revisions incorporate the definition of a liability from Financial Accounting Standards Boards (FASB) Concepts Statement No. 8, <i>Conceptual Framework for Financial Reporting</i> — Chapter 7, <i>Presentation, and Concepts</i> — Chapter 4, <i>Elements of Financial Statements</i> , which updates the definition of an asset and of a liability.

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CLO Financial Modeling	A CLO is a single issued security backed by a pool of debt. In most instances a CLO is backed by corporate loans with lower credit ratings or possibly loans taken out by private equity firms to coordinate with leveraged buyouts. CLOs are similar to a collateralized mortgage obligation (CMO), except that the underlying debt is a company loan instead of a mortgage. Interest in CLO investments has grown since 2020 as these investments represent enhanced yields to investors. Risk assessment is the key here for investment advisors and insurance management. This agenda item was adopted to ensure the financial modeling guidance summarized in SSAP No. 43R— <i>Loan Backed and Structured Securities</i> reflects the practices as directed by the Purposes and Procedures Manual of the NAIC Investment Analysis Office as they pertain to CLOs	P&C Life Health	N/A	N/A	12/31/23	2023-02	SSAP No. 43R SAP Clarification	Adopted 08/13/2023	The working group exposed revisions to SSAP No. 43R— <i>Loan-backed and Structured Securities</i> to incorporate changes to add CLOs to the financial modeling guidance and to clarify that CLOs are not captured as legacy securities. These revisions reflect the guidance adopted for the P&P Manual in February 2023.
Asset Valuation Reserve and Interest Maintenance Reserve	JLKR observes this item has similarities to the project noted above in 2023-01 with respect to the observed disconnects between certain SSAP direction and the Annual Statement instructions. This particular issue involves fragmentation between the IMR/AVR SSAPs and the guidance included in the Annual Statement Instructions. This agenda item is intended to address the dichotomies between the AS instructions and the formal SSAPs that should be the primary drivers of instruction. Item 2023-14, along with 2023-01 are welcome projects to eliminate the fragmentation that has evolved over the years.	Life & Health	Not Intended	Y	TBD	2023-14	SSAP No. 7 New SAP Concept	Exposed	Description of Issue: This agenda item has been developed as a broad concept agenda item with the ultimate goal to incorporate accounting guidance for the asset valuation reserve (AVR) and the interest maintenance reserve (IMR) into SSAP No. 7— <i>Asset Valuation Reserve and Interest Maintenance Reserve</i> . Historically, this statement has included brief overview of the AVR and IMR with the calculation and reporting guidance determined as directed by individual SSAPs or in accordance with the Annual Statement (A/S) Instructions for Life, Accident and Health / Fraternal Companies. As the SSAPs are highest in the statutory hierarchy as Level 1, and the A/S instructions are Level 3, the governing accounting concepts should be captured in the SSAPs.

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IMR / AVR Specific Allocations	This again is observed as a dichotomy between the Annual Statement Instructions and the original intention of the promulgated SSAPs pertaining to IMR/AVR. Confusion has occurred in interpretation of allocation of non-interest related losses between the two categories, which should be clear as the original intent was for non-interest-related losses to go to AVR. This issue was further exacerbated by confusion arising from the temporary allowance for certain IMR non-admitted amounts to be admitted. The projects under 2023-01, 2023-14 and this item (2023-15) should assist in clarification. Situations that prompted this concern were the recent issues with originally highly-rated regional banks that were suddenly & severely downgrade in the 2023; other examples include the California wildfire incidents and the impact on PG&E downgrades. Further, the intent is to circumvent reporting entities from using the system to dispose of mortgage loans prior to their 90-day past due period that are clearly impaired and record them as IMR candidates rather than AVR.	Life & Health	Not Intended	Y	1/1/24	2023-15	Annual Statement New SAP Concept	Adopted 12/1/2023	<p><u>Description of Issue:</u> This agenda item has been developed to update guidance for IMR / AVR in the Annual Statement (A/S) Instructions that currently establish specific allocation guidance. The principal concept of the IMR and AVR is that interest-related losses go to IMR, and non-interest-related losses go to AVR. This agenda is to correct instructions that appear to direct an entity to allocate non-interest-related losses to IMR rather than correctly to the AVR.</p> <p>The adoption would incorporate the mortgage loan revisions as exposed and incorporated guidance for debt securities that directs AVR reporting if there is an acute credit event (known event) that negatively impacts the price of the security that has not yet been reflected in the CRP ratings / SVO feed at the time of the sale where the resulting gain/loss was predominantly credit related.</p> <p>Adopted revisions update and remove guidance that has permitted allocation of non-interest-related losses to the interest maintenance reserve (IMR). The revisions address mortgage loans with valuation allowances and debt securities with known credit events.</p>
Actuarial Guideline 51 and Appendix A-010 Interaction	Some variance has been noted in practice across issuers of long-term care insurance. The fundamental questions is regarding whether gross premium valuation only, cash flow testing only or both cash flow testing and gross premium valuation are required in determining additional reserves.	P&C Life Health	Y	Y	12/1/23	2023-22	SSAP No. 54R SAP Clarification	Adopted 12/1/2023	Adopted revisions clarify that gross premium valuation (under A-010, Minimum Reserve Standards for Individual and Group Health) and cash-flow testing (under Actuarial Guideline LI – The Application of Asset Adequacy Testing to Long-Term Care Insurance Reserves) are both required if indicated.

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Principles-Based Bond Project (Residual Tranches)	Industry accounting for residual interests has experienced varied practices; this discussion provides several alternatives that, when finalized, will be accepted by the state insurance commissioners. For those entities that have limited holdings, or may not have the systems for sophisticated calculation, a practical expedient has been suggested in addition to the suggested effective yield with a cap methodology.	P&C Life Health	Y	Y	TBD	2019-21	SSAP No. 21R SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	Industry initially recommended the effective yield method, however, pursuant to the subsequent discussions with industry, it was identified that some companies would prefer the “cost recovery method” (where are distributions received reduce the BACV prior to the recognition of interest income) due to the extensive work and non-automation that would be required for the “Effective Yield with a Cap” method. As the cost recovery method is a more conservative method, NAIC staff has proposed revisions to SSAP No. 21R to incorporate the “Effective Yield with a Cap Method” but to also provide a practical expedient that companies can elect to use the “Cost Recovery Method.” The revisions detail limitations if electing the practical expedient, which require its use for all residual holdings and a prospective approach for new acquisitions only, if a company wanted to move away from the cost recovery method once its elected. With this revision, other aspects of the residual guidance, including the other-than-temporary impairment guidance, (which was also noted by interested parties’) has been revised.
ASU 2016-13, Measurement of Credit Losses on Financial Instruments, and Other Related ASUs	Exposed revisions to reject current expected credit loss (CECL) within Interpretation (INT) 06-07: Definition of Phrase “Other Than Temporary” and fifteen applicable SSAPs.	P&C Life Health	N/A	N/A	TBD	2023-24	Various SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to reject ASU 2016-13, and five other ASUs issued by FASB to amend CECL, within INT 06-07: Definition of Phrase “Other Than Temporary” and fifteen applicable SSAPs which are detailed within the Form A. Additionally, a previous agenda item, Ref #2016-20, was started on this topic and last exposed for comment on Aug. 4, 2018. That agenda item was reviewed by NAIC staff, and they recommend it be formally disposed of and replaced by agenda item 2023-24.

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Short-Term Investments	The purpose of this new SAP concept is to correct leakage that has been occurring within the short-term investment classification category whereby certain components of debt securities are incorrectly being classified under short-term investments. This new SAP provides specific definition of what is and is not permitted to be included within the SSAP 2R definition.	P&C Life Health	Y	Y	1/1/25	2023-17	SAP No. 2R New SAP Concept		Adopted during the December 2023 meeting. The following investments will be excluded from cash equivalent / short-term investment reporting: <ol style="list-style-type: none"> a. Asset-backed securities captured in scope of SSAP No. 43R. b. All investments that are reported on Schedule BA, including but not limited to: <ol style="list-style-type: none"> i. All debt securities that do not qualify as bonds in scope of SSAP No. 21R. ii. Collateral / Non-Collateral loans captured in scope of SSAP No. 21R. iii. Working capital finance investments in scope of SSAP No. 105R. iv. Surplus notes in scope of SSAP No. 41R c. Mortgage loans captured in scope of SSAP No. 37. d. Derivative instruments in scope of SSAP No. 86 or SSAP No. 108. e. Securities with terms that are reset at predefined dates (e.g., an auction-rate security that has a long-term maturity and an interest rate that is regularly reset through a Dutch auction) or have other features an investor may believe results in a different term than the related contractual maturity shall be accounted for based on the contractual maturity at the date of acquisition, except where other specific rules within the statutory accounting framework currently exist.
Actuarial Guideline XLIX-A— The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest Sold (On or After December 14, 2020)	Revisions provide additional clarity and uniformity to Model #582. The Guideline change will impact the narrow group of larger insurance entities that design and market interest-sensitive market-indexed products.	N/A	N/A	N/A	5/1/23	AG 49-A	Appendix C	Adopted	Revisions to AG 49-A intend to improve illustrations for indexed universal life (IUL) products with uncapped volatility- controlled funds and a fixed bonus. The guideline applies to policies sold on or after May 1, 2023.

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Actuarial Guideline LIV— Nonforfeiture Requirements for Index-Linked Variable Annuity Products	One thing to note here is that the revised guideline interprets the term “variable annuity” for purposes of exemption from Model 805. It is not intended to modify the definition of a variable annuity under Model 250 or other Model Regulations. The Guideline change will impact the narrow group of larger insurance entities that design and market interest-sensitive market indexed products.	N/A	N/A	N/A	7/1/24	AG 54	Appendix C	Adopted	The purpose of this new guideline is to specify the conditions under which an Index-Linked Variable Annuity (ILVA) is consistent with the definition of a variable annuity and exempt from Model 805 and specify nonforfeiture requirements consistent with variable annuities. The guideline applies to all contracts (including associated riders, endorsements, or amendments) issued on or after July 1, 2024.
New Market Tax Credits	There is a consensus between NAIC and the Interested parties about having uniformity in accounting and reporting for equity investments for which the return is earned primarily through tax credits. Concern remains with the IPs that tax credits issued in the form of debt should be reported on Schedule D rather than Schedule BA. Regulators tend to disagree here; NAIC staff will refer to SAPWG for final determination.	N/A	N/A	N/A	TBD	2022-14	SSAP No. 93	Exposed 12/01/2023 Comment Period Ending 02/29/24	Last year, the Working Group exposed a discussion document to expand current statutory accounting guidance in SSAP No. 93—Low-Income Housing Tax Credit Property Investments to capture all tax equity investments that provide federal business tax credit and state premium tax credits if they meet specified criteria. It appears NAIC will proceed with drafting revised statutory accounting guidance and a related issue paper to expand the guidance in SSAP No. 93 for tax credits, as well as to draft revisions to SSAP No. 94—Transferable and Non-Transferable State Tax Credits for future Working Group discussion. In December 2023 meeting, exposed revisions update the proposed guidance for investments in tax credits as well as acquired tax credits in response to the comments received. Exposure also requests comments on updated annual statement reporting categories for tax credit investment risk-based capital (RBC).

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Corporate Alternative Minimum Tax Guidance	In December 2022, the Working Group adopted temporary guidance to address the CAMT in INT 22-02: <i>Third Quarter 2022 through First Quarter 2023 Reporting of the Inflation Reduction Act - Corporate Alternative Minimum Tax</i> . This agenda item began the project of providing guidance regarding the CAMT for periods after the first quarter of 2023. Interested parties of the SAPWG submitted initial recommendations to assist with preparing the guidance. The CAMT can be more complex than the prior federal alternative minimum tax as it is assessed using book income at the consolidated return level. This 09/21/23 adoption carries the CAMT project into year-end 2023 reporting and disclosure presentation. This item coincides with INT 23-03 further discussed below.	N/A	N/A	N/A	Effective for reporting on or after December 31, 2023	2023-04	SSAP No. 101	Adopted 09/21/2023	The Working Group will continue to work with industry on developing guidance for the reporting of the CAMT. The CAMT presents several accounting challenges. Working Group input will be needed on several decision points including, treatment of tax sharing agreements, consideration regarding the CAMT DTA in the statutory valuation allowance, and the treatment of CMATs DTAs, in the overall DTA admissibility calculation. As adopted, SAPWG will provide guidance for CAMT reporting on or after year-end 2023 and addresses accounting, the statutory valuation allowance, admissibility, disclosures, and 2023 year-end transition requirements.
ASU 2022-06, Reference Rate Reform (Topic 848), Deferral of the Sunset Date of Topic 848	To address ASU 2020-04, the Working Group issued INT 20-01: Reference Rate Reform and this interpretation was then revised to incorporate guidance from ASU 2021-01. This agenda item intends to revise INT 20-01 again to include the revised sunset date of December 31, 2024. This gives a temporary timing reprieve to those entities that may have loans, leases or other covenants tied to the former LIBOR rate (or other accepted benchmarking overnight rates). As many are aware, SOFR has become the accepted norm for the LIBOR replacement.	P&C Life Health	N/A	N/A	Effective immediately	2023-05	INT 20-01 SAP Clarification	Adopted 08/13/2023	FASB issued ASU 2022-06, <i>Reference Rate Reform (Topic 848)</i> , <i>Deferral of the Sunset Date of Topic 848</i> to extend the sunset date of the reference rate reform guidance that was included in ASU 2020-04, <i>Reference Rate Reform (Topic 848) Facilitation of the Effects of Reference Rate Reform on Financial Reporting</i> and ASU 2021-01, <i>Reference Rate Reform (Topic 848), Scope</i> . The Working Group exposed temporary (optional) expedient and exception interpretative guidance, to revise the expiration date of the guidance in INT 20-01: ASU 2020-04 & 2021-01 - Reference Rate Reform to be December 31, 2024.
Additional Updates on ASU 2021-10, Government Assistance	This agenda item provides additional clarifications to SSAP No. 24 regarding follow-up questions that NAIC staff received regarding adopting the disclosures about government assistance in ASU 2021-10. Additional modifications have been proposed which reject ASU 2021-10 but still incorporate additional government assistance disclosures, which NAIC recognizes are quite infrequent within the insurance industry.	P&C Life Health	N/A	N/A	Effective Immediately	2023-06	SSAP No. 24 SAP Clarification	Adopted 08/13/2023	During August 2022, the Working Group adopted revisions to SSAP No. 24— <i>Discontinued Operations and Unusual or Infrequent Items in agenda item 2022-04: ASU 2021-10, Government Assistance</i> . The revisions incorporate certain disclosures, adopted with modification from ASU 2021-10, to supplement existing disclosures regarding unusual or infrequent items. The exposed revisions will clarify the rejection of ASU 2021-10, <i>Government Assistance</i> , and the incorporation of disclosures regarding government assistance.

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ASU 2019-08, Codification Improvements to Topic 718 and Topic 606	As quoted from various Form A Maintenance Agenda items, the amendments in ASU 2019-08 require that an entity measure and classify share-based payment awards granted to a customer by applying the guidance in Topic 718. The amount recorded as a reduction of the transaction price is required to be measured on the basis of the grant-date fair value of the share-based payment award in accordance with Topic 718. The grant date is the date at which a grantor (supplier) and a grantee (customer) reach a mutual understanding of the key terms and conditions of a share-based payment award. The classification and subsequent measurement of the award are subject to the guidance in Topic 718 unless the share-based payment award is subsequently modified and the grantee is no longer a customer. The agenda item basically pertains to non-employee share-based payments. Given low priority due to its narrow focus and impact on few entities	P&C Life Health	N/A	N/A	Effective Immediately	2023-07	SSAP No. 104R SSAP No. 95 SSAP No. 47 SAP Clarification	Adopted 08/13/2023	The Working Group exposed revisions to adopt with modification ASU 2019-08 <i>Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Codification Improvements—Share-Based Consideration Payable to a Customer</i> for statutory accounting. These revisions would add language to include share-based consideration payable to customers under SSAP No. 104R guidance in the same manner as U.S. GAAP. With the revisions proposed to SSAP No. 104R, revisions are also proposed to SSAP No. 95— <i>Nonmonetary Transactions</i> to update previously adopted U.S. GAAP guidance. In addition, proposed revisions to SSAP No. 47— <i>Uninsured Plans</i> , reject Topic 606 guidance in ASU 2019-08. The proposed revisions to SSAP No. 95, SSAP No. 104R, and SSAP No. 47— <i>Uninsured Plans</i> .
ASU 2019-07, Codification Updates to SEC Sections	Guidance in ASU 2019-07, <i>Codification Updates to SEC Sections</i> does not apply to statutory accounting and, as expected, was rejected by the Working Group.	P&C Life Health	N/A	N/A	5/1/23	2023-08	Appendix D SAP Clarification	Adopted 08/13/2023	The Working Group exposed revisions to Appendix D— <i>Nonapplicable GAAP Pronouncements to reject ASU 2019-07—Codification Updates to SEC Sections: Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization, and Miscellaneous Updates as not applicable to statutory accounting.</i>
ASU 2020-09—Amendments to SEC Paragraphs	Guidance in ASU 2020-09— <i>Amendments to SEC Paragraphs</i> does not apply to statutory accounting and, as expected, was rejected by the Working Group.	P&C Life Health	N/A	N/A	Effective Immediately	2023-09	Appendix D SAP Clarification	Adopted 08/13/2023	The Working Group exposed revisions to Appendix D— <i>Nonapplicable GAAP Pronouncements to reject ASU 2020-09, Amendments to SEC Paragraphs Pursuant to SEC Release No. 33-10762—Debt (Topic 470) as not applicable to statutory accounting. This guidance is not applicable as it pertains to an exception of issuers or guarantors filing financial statements with the SEC when the issuer or guarantor is included in filed consolidated financial statements and other conditions are met.</i>

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ASU 2022-05, Transition for Sold Contracts	Guidance in ASU 2022-05, <i>Transition for Sold Contracts</i> , does not apply to statutory accounting and, as expected, was rejected by the Working Group.	P&C Life Health	N/A	N/A	Effective Immediately	2023-10	SSAP No. 50, 51R, 52, 56, 71, 86 SAP Clarification	Adopted 08/13/2023	The Working Group exposed proposed revisions to reject ASU 2022-05, <i>Transition for Sold Contracts</i> as not applicable for statutory accounting in SSAP No. 50— <i>Classifications of Insurance or Managed Care Contracts</i> ; SSAP No. 51R— <i>Life Contracts</i> ; SSAP No. 52— <i>Deposit-Type Contracts</i> ; SSAP No. 56— <i>Separate Accounts</i> ; SSAP No. 71— <i>Policy Acquisition Costs and Commissions</i> and SSAP No. 86— <i>Derivatives</i> . The guidance in ASU 2022-05 provides updated transition guidance for ASU 2018-12, which had previously been rejected for statutory accounting.
Editorial	Minor revisions and clarifications.	N/A	N/A	N/A	TBD	2023-11EP	N/A	Exposed	This agenda item details editorial updates for the Accounting Practices and Procedures Manual. These revisions are captured in three broad categories: <ul style="list-style-type: none"> • SSAP No. 86—<i>Derivatives</i>: Change to a disclosure category from 'intrinsic value' to 'volatility value.' • Various – Streamline references to the Purposes and Procedures Manual. • Various – Changes to consistently reference percent (with % sign and not 'percent') throughout SSAPs.
Residuals in SSAP No. 48 Investments	Beginning year-end 2022, original revisions within SSAP No. 43R - Loan-Backed and Structured Securities pertaining to residual interests contained in securitized assets required those residual tranches to be reported on Schedule BA within designated reporting lines. Further study subsequent to 2022 reporting found that certain residuals may not be properly reported due to varying legal forms defining the residual component. This maintenance agenda item requires residual interests will be based upon its substance rather than its legal form and reported on Schedule BA under the appropriate reporting lines. This is more a reporting classification change within the same Schedule BA.	P&C Life Health	N/A	N/A	Effective for year-end December 31, 2023	2023-12	SSAP No. 43R, 48 SAP Clarification	Adopted 09/21/2023	Adoption includes revisions to SSAP No. 43R— <i>Loan-Backed and Structured Securities</i> , SSAP No. 48— <i>Joint Ventures, Partnerships and Limited Liability Companies</i> , and the annual statement instructions for the reporting of residual interests, so that all residuals are captured on the dedicated Schedule BA – Other Long-Term Invested Assets reporting lines.

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Topic / Issue	What's the Rub? JLK Rosenberg Perspective	Applicable to	Financial Statement Impact	Disclosure	Effective Date	Ref #	SSAP	Status	Discussion
PIK Interest Disclosure Clarification	This agenda item has been developed to further clarify, and incorporate a practical expedient, to the paid-in-kind (PIK) interest aggregate disclosure adopted in SSAP No. 34— <i>Investment Income Due and Accrued</i> for year-2023. It is mostly to eliminate the potential inconsistent application on how paydowns / disposals impact PIK interest included in the cumulative principal / par balance, as well as to streamline the calculation. The SSAP No. 34 adopted disclosure is not intended to change. The proposed clarification and practical expedient guidance is intended to be captured in the annual statement instructions.	P&C Life Health	N	N	For year-end 2023 disclosures	2023-13	SSAP No. 34	Adopted 08/13/2023	August 13, 2023, the Statutory Accounting Principles (E) Working Group adopted, as final, the exposed revisions to SSAP No. 34 and directed that the proposed updates to the Annual Statement Instructions be forwarded to the Blanks (E) Working Group. These revisions provide a practical expedient to the paid-in-kind (PIK) interest aggregate disclosure.
Schedule BA Reporting Categories	This is an item out for exposure, and is minor to statutory reporting in general - it is expected to be accepted as proposed	P&C Life Health	N	Y	TBD	2023-16	SSAP No. 48 SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	This agenda item has been drafted to propose revisions to the reporting category descriptions in the Annual Statement Instructions which are bonds / fixed-income instruments, common stocks, real estate, mortgage loans and other. It is mainly to improve the instructions and examples for the allocations. If needed, a new reporting line can be proposed.

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ASU 2016-19, Technical Corrections and Improvements	This was an item out for exposure following the Summer meeting and has been adopted within the interim SAPWG 10/23/2023 virtual meeting. Not a major issue.	P&C Life Health	N/A	N/A	TBD	2023-18	SSAP No. 5R, 92, 102, 103R SAP Clarification	Adopted 10/23/2023	Exposed revisions to adopt with modification certain portions of ASU 2016-19, <i>Technical Corrections and Improvements</i> for statutory accounting. The agenda item includes the detail of the revisions to be exposed and the rationale for which guidance is recommended for inclusion and which was recommended for rejection. Unless noted otherwise, it is recommended that all other amendments made within ASU 2016-10, as detailed in the agenda item, be rejected for statutory accounting in SSAP No. 5R— <i>Liabilities, Contingencies and Impairments of Assets</i> , SSAP No. 92— <i>Postretirement Benefits Other Than Pensions</i> , and SSAP No. 102— <i>Pensions</i> and SSAP No. 103R— <i>Transfers and Servicing of Financial Assets and Extinguishments of Liabilities</i> . In December 2016, FASB issued ASU 2016-19, <i>Technical Corrections and Improvements</i> , as part of a standing project on its agenda to address suggestions received from stakeholders on FASB Codifications and to make other incremental improvements to U.S. GAAP. This perpetual project facilitates FASB Codification updates for technical corrections, clarifications, and other minor improvements. The changes made by ASU 2016-19 included minor clarifications, corrections, addition of codification references, guidance relocations, and removal of redundant, outdated, or superseded guidance.
ASU 2018-09, Codification Improvements	ASU 2018-09, <i>Codification Improvements</i> was rejected in the 10/23/2023 SAPWG virtual meeting as not applicable to statutory accounting.	N/A	N/A	N/A	ASU 2018-09 Rejected for SSAP - effective 10/23/2023	2023-19	Appendix D SAP Clarification	Adopted 10/23/2023	In July 2018, FASB issued ASU 2018-09, <i>Codification Improvements</i> , as part of a standing project on its agenda to address suggestions received from stakeholders on FASB Codifications and to make other incremental improvements to U.S. GAAP. This perpetual project facilitates FASB Codification updates for technical corrections, clarifications, and other minor improvements. The changes made by ASU 2018-09 included minor clarifications, corrections, addition of codification references, guidance relocations, and removal of redundant, outdated, or superseded guidance.

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ASU 2020-10, Codification Improvements	ASU 2020-10 <i>Codification Improvements</i> was rejected in the 10/23/2023 SAPWG virtual meeting as not applicable to statutory accounting.	N/A	N/A	N/A	ASU 2020-10 Rejected for SSAP - effective 10/23/2023	2023-20	Appendix D SAP Clarification	Adopted 10/23/2023	In October 2020, FASB issued ASU 2020-10 <i>Codification Improvements</i> that improve the consistency of the Codification by ensuring that all guidance that requires or provides an option for an entity to provide information in the notes to financial statements is codified in the Disclosure Section of the Codification. The changes made by the ASU either move disclosure guidance to the Disclosure Section of the codification or add codification references to direct readers to the disclosure section, and this ASU does not provide any relevant new guidance.
Remove Transition Language from SSAP Nos. 92 and 102	On December 18, 2012, the Statutory Accounting Principles (E) Working Group adopted SSAP No. 92— <i>Postretirement Benefits Other Than Pensions</i> and SSAP No. 102— <i>Pensions</i> , which replaced SSAP No. 14— <i>Postretirement Benefits Other Than Pensions</i> and SSAP No. 89— <i>Pensions</i> . The adopted SSAPs included transition guidance that expired after 10 years. This agenda item intends to remove the unneeded transition guidance from SSAP No. 92 and SSAP No. 102. This is a minor clean-up issue.	P&C Life Health	N/A	N/A	Effective immediately 10/23/2023	2023-21	SSAP No. 92, 102 SAP Clarification	Adopted 10/23/2023	Exposed revisions to SSAP No. 92 and SSAP No. 102 to remove the transition guidance that was included in the initial adoption of SSAP No. 92 and SSAP No. 102, as it is past the 10 year effective period for that transition.
Third Quarter 2023 Inflation Reduction Act – Corporate Alternative Minimum Tax	This item works in conjunction with 2023-04 as documented above. Given low priority since it impacts very few entities other than minor disclosure requirements.	P&C Life Health	Possibly	Y	Effective immediately for third quarter 2023 reporting (September 21, 2023); Automatically nullifies on November 16, 2023	INT 23-02	SSAP No. 9, 101 SAP Clarification	Adopted 09/21/2023	This interpretation is to provide temporary guidance for the Q3 2023 reporting for the corporate alternative minimum tax (CAMT). It recommends that reporting entities should disclose whatever information is available regarding their reporting entity status. If a reasonable estimate regarding CAMT 2023 liabilities can be made, such estimate should be disclosed. If not, that fact should be disclosed as well.

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Residuals in Preferred Stock and Common Stock	Typically common and preferred stocks only reflect equity ownership, and would not be considered to contain residual characteristics. Some recent preferred stock security designs have appeared that include attached performance coupons. These added interests are considered an in substance residual interest to be reported with Schedule BA assets and is not to be included as a common or preferred stock investment. These changes are minor adjustments to SSAP No. 30R and SSAP No. 32R.	P&C Life Health	N/A	Y	12/31/23	2023-23	SSAP No. 30R & SSAP No. 32R SAP Clarification	Adopted 12/1/2023	These revisions are only deemed necessary because investment structures have been recently designed to refer to a redesigned residual as a 'preferred share,' and without the explicit guidance in SSAP No. 30R or SSAP No. 32R, there is concern there could be reporting inconsistencies among insurers. By adopting for year-end application, all in-substance residuals shall be captured on the dedicated Schedule BA reporting line and allow for complete regulator assessment of exposure.
ASU 2023-03, Amendments to SEC Paragraphs	Rejected for statutory accounting and reporting	P&C Life Health	N/A	N/A	TBD	2023-25	SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	This item is proposed to be rejected as not applicable as the ASU is specific to amendment of SEC paragraphs, which are not applicable for statutory accounting purposes.
ASU 2023-06, Codification Amendments in Response to the SEC's Disclosure Update	Rejected for statutory accounting and reporting	P&C Life Health	N/A	N/A	TBD	2023-26	SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	This item is proposed to be rejected as not applicable as the ASU is specific to amendment of SEC paragraphs, which are not applicable for statutory accounting purposes.
ASU 2023-04, Amendments to SEC Paragraphs— Cryptocurrency	Rejected for statutory accounting and reporting	P&C Life Health	N/A	N/A	TBD	2023-27	SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	This item is proposed to be rejected as not applicable as the ASU is specific to amendment of SEC paragraphs, which are not applicable for statutory accounting purposes.

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Reporting for Collateral Loans (Transparency)	Regulators have expressed concerns that collateral supporting investments reported within Schedule BA should be of sufficient detail for insurance departments to determine if the collateral meets admitted status under the statutory admitted asset definition. Accordingly, this clarification is intended to strengthen the disclosures in order for reviewers to analyze and make appropriate determinations.	P&C Life Health	N/A	Y	TBD	2023-28	SSAP No. 21R SAP Clarification	Exposed 12/01/2023 Comment Period Ending 01/22/24	This agenda item proposes new disclosure requirements in SSAP No. 21R for collateral loans. The new disclosure is proposed to be satisfied by an expansion of the reporting on Schedule BA, so that the collateral loans are separated by the type of collateral investment that secures the loan. Additionally, a new aggregated data-captured note is proposed to identify the admitted and nonadmitted collateral loans by the type of collateral that secures the loan. Possible initial reporting as of year-end 2024.
IMR / AVR Preferred Stock	Clarifies classification of perpetual preferred stock with characteristics of common equity and denies allocation of realized gains or losses as IMR components.	Life & Health	Y	Y	TBD	2023-29	Annual Statement SAP Clarification	Exposed 12/01/2023 Comment Period Ending 02/29/24	<p>This agenda item proposes new guidance that corresponds to the accounting and reporting differences for redeemable and perpetual preferred stock, with all perpetual preferred stock being treated as an equity instrument similar to common stock. With this approach, all unrealized gains or losses on perpetual preferred stock will reverse to realized gains or losses in the AVR formula. The revisions also clarify that SVO-Identified Preferred Stock ETFs shall be treated as perpetual preferred stock (equities) as that is consistent with the guidance in SSAP No. 32R—Preferred Stock.</p> <p>Exposed revisions to clarify that realized gains and losses on perpetual preferred stock shall not be added to the IMR, regardless of NAIC designation, and shall follow the same concepts that exist for common stock in reporting realized gains/losses to the asset valuation reserve (AVR).</p>
Admissibility Requirements of Investments in Downstream Holding Companies	Plain language explanation - purpose of this change is to clarify potentially contradictory guidance between the paragraphs addressed in the clarification	P&C Life Health	N/A	N/A	TBD	2023-30	SSAP No. 97 SAP Clarification	Exposed 12/01/2023 Comment Period Ending 02/29/24	Exposed revisions to update the language in paragraph 24 on audits and admissibility to better align with guidance in paragraphs 26 and 27 on the look-through methodology.

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Model 630 Mortgage Guaranty Insurance	This is a narrow scoped modification with direction to review the Mortgage Guaranty Insurance Model Act with eventual update to Appendix A-630 and SSAP 58 - <i>Mortgage Guaranty Insurance</i> . It impacts a very minor component of the P&C insurance arena.	P&C	N/A	N/A	TBD	2023-31	SSAP No. 58	Exposed 12/01/2023 Comment Period Ending 02/29/24	Because there are less than ten mortgage guaranty insurers, and they are concentrated in the states of North Carolina, Pennsylvania and Wisconsin, NAIC staff requests comments on the proposed effective date of the AP&P updates. Initial feedback indicates that the earliest that the Model #630 revisions could be applicable in the affected states would be January 1, 2025, or later. NAIC staff is hesitant to recommend adoption of revisions to the AP&P Manual prior to adoption by the primary state regulators of the mortgage guaranty insurers.
Life Reinsurance Liquidation Questions	Addresses handling of accounting for those involved with the Scottish Re life reinsurance liquidation	Life & Health	Y	Y	TBD	INT 23-04T	N/A	Exposed 12/01/2023 Comment Period Ending 01/22/24	Exposed revisions to INT 23-04 provide accounting and reporting guidance for ceding entities with the life reinsurance counterparty, Scottish Re, in liquidation. This requires following existing life reinsurance guidance and requires nonadmission of unpaid claims and other amounts that are either in dispute or not collateralized by an A-785 compliant trust. It allows admission of undisputed claims incurred before contract cancellation, and paid before the reporting period, and undisputed amounts which are secured by an A-785 compliant trust.