

September 10, 2019

Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

Via e-mail: director@fasb.org

Re: Proposed Accounting Standards Update, *Financial Services – Insurance (Topic 944)*
File Reference No. 2019-760

Dear Director:

The Accounting Principles and Auditing Standards Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the referenced proposal. The Committee is a technical committee of the FICPA and has reviewed and discussed the above referenced proposed accounting standards update issued by the Financial Accounting Standards Board (the FASB or Board). The FICPA has more than 19,500 members, with its membership comprised primarily of CPAs in public practice and industry. The Committee is comprised of 20 members, of whom 35% are from local or regional firms, 25% are from large multi-office firms, 20% are sole practitioners, 5% are in international firms, 5% are in education, and 10% in industry.

Overall, the Committee agrees with the FASB's staggered adoption philosophy of granting to nonpublic and certain public business entities, including small reporting companies (SRCs), a two-year delay for the adoption of Accounting Standards Updates.

The Committee has the following comments related to the questions numbered below:

Question 1: Effective Date for larger public companies. The Committee agrees with the proposed accounting standards update to defer the effective date for larger public companies by one year, for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021.

Question 2: Effective Date for entities other than larger public companies. The Committee agrees that, for entities other than larger public companies, the amendments in the proposed update should become effective two years after the effective date for larger public companies (therefore in this regard for fiscal years beginning after December 15, 2023).

Question 3: Interim Periods for entities other than larger public companies. The Committee believes the amended effective date for interim periods for entities other than larger public companies should be for periods beginning after December 15, 2024, subsequent to the annual reporting year of adoption. The Committee believes that, in the interest of those smaller entities that may not have yet completed a full system implementation to apply a new accounting standard update, interim reporting should be required in the subsequent year when they provide interim financial statements (as applicable). This method of adoption is consistent with the adoption pattern of

interim periods in proposed effective dates for accounting standards updates of *Derivatives and Hedging, Topic 815* and *Leases, Topic 842* for non-public business entities as well as consistent with the adoption pattern of interim periods in *Revenue from Contracts with Customers, Topic 606*.

Question 4: Threshold. The Committee agrees with the FASB's proposed update that the population of SEC filers that are afforded a delayed effective date be entities eligible to be SRCs as defined by the SEC and agree that this definitional threshold is appropriate for these reporting requirements.

The Committee appreciates this opportunity to respond to the Proposed Accounting Standards Update. Members of the Committee are available to discuss any questions or concerns raised by this response.

Respectfully submitted,

Allan B. Franklin, CPA, Chair
FICPA Accounting Principles and Auditing Standards Committee

Committee members coordinating this response:

Brion L. Sharpe, CPA
Yanick J. Michel, CPA