



PRESS RELEASE

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FDIC Chairman Urges FASB to Delay Certain Accounting Rules Amid Pandemic

WASHINGTON – Federal Deposit Insurance Corporation (FDIC) Chairman Jelena McWilliams today sent a [letter](#) to the Financial Accounting Standards Board (FASB) urging a delay in transitions to and exclusions from certain accounting rules, including:

- Excluding COVID-19-related modifications from being considered a concession when determining a troubled debt restructuring (TDR) classification;
- Permitting financial institutions currently subject to the current expected credit losses (CECL) methodology an option to postpone implementation of CECL given the current economic environment; and
- Imposing a moratorium on the effective date for those institutions that are not currently required to implement CECL to allow these financial institutions to focus on immediate business challenges relating to the impacts of the current pandemic and its effect on the financial system.

"Today we are confronting new and uncertain challenges in view of the worldwide pandemic," Chairman McWilliams wrote. "The nation's banking industry is responding to rapidly evolving business conditions that are unprecedented in our history. To support the industry's efforts to focus on their employees and customers, I encourage FASB to take these much needed actions to allow banks to help their communities at this time of need."

Read the full letter [here](#).



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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