



SME Market Pulse

US SME General Liability Price Index - 2025



A Note on Acrisure

Acrisure is one of the largest financial services firms in the U.S, a global fintech leader and business platform that unites Auris - Acrisure's proprietary AI - with trusted human advisors to deliver integrated customized solutions to clients across the globe. By merging entrepreneurial spirit with deep expertise across business and insurance solutions, we're putting the world's top products and services into the hands of successful and sophisticated businesses and individuals. Focusing on insurance, Acrisure is the 3rd largest property/casualty agency in the U.S.¹ and 8th largest global broker². Our insurance assets span all elements of the marketplace including retail, global wholesale, delegated underwriting, TPA and servicing, corporate advisory services and a Lloyd's fund (Corinthian) and syndicate.

Acrisure focuses on delivering solutions to the small and mid-sized enterprise (SME) segment, covering insurance, cyber services, mortgage origination and payroll solutions. Approximately 1 in 14 small businesses in the US are Acrisure clients, giving the firm deep insight into "Main Street" insurance trends, while leveraging its "Wall Street" tech and AI capabilities to make sense of them. With a retail network spanning all states and 96% of our commercial client base employing less than 100 employees, Acrisure is uniquely positioned to track the dynamics of the SME insurance marketplace.

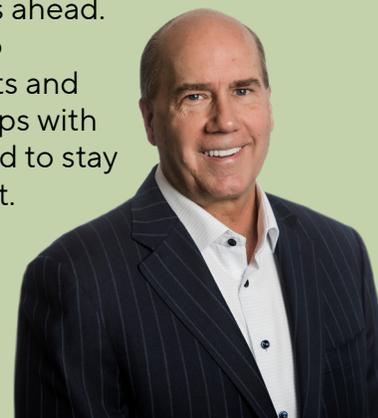
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This isn't about reacting to change - it's about anticipating it and staying three moves ahead. We're committed to equipping our clients and business relationships with the insight they need to stay ahead of what's next.

 **ACRISURE**®

Greg Williams

Co-founder, Chairman and CEO



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Acrisure delivers unmatched insight into the U.S. SME market. Our SME Market Pulse equips reinsurance clients with actionable pricing and trend data by geography and specific industries to drive smarter decisions.

 **ACRISURE | RE**™

Simon Hedley

CEO, Acrisure Re





SME Market Pulse US SME General Liability Price Index

Welcome to the inaugural edition of the Acrisure^{IQ} SME Market Pulse. This publication provides insights into the insurance market for small to medium-sized enterprises (SMEs). The content will address both historical and emerging trends relevant to Acrisure's SME clients and carriers as they navigate the evolving insurance landscape. This first edition is a focused overview of general liability (GL) pricing and includes a local breakdown of the most volatile regions. SMEs operate in an increasingly complex risk environment and must manage their finite resources strategically; Acrisure is committed to being the leading provider of solutions tailored to the needs of SME clients.



Acrisure's proprietary, AI-driven solutions and tech platform, AurisSM, harnesses a vast repository of data to enhance client experience through personalized, data-driven solutions that reflect their diverse financial needs. The firm's proprietary data-driven analytics engine, Acrisure^{IQ}, aggregates renewal data across hundreds of thousands of accounts, constituting billions of dollars of retail & wholesale premium in the United States, thus enabling unique market reporting for the SME sector.

Executive Summary:

General Liability Pricing Environment

GL data pulled by Acrisure^{IQ} has shown consistent price increases over the last 5 years, resulting in a significant increase in price point for SME sector clients. This matches the trend within the broader marketplace for clients of all sizes buying GL coverage.

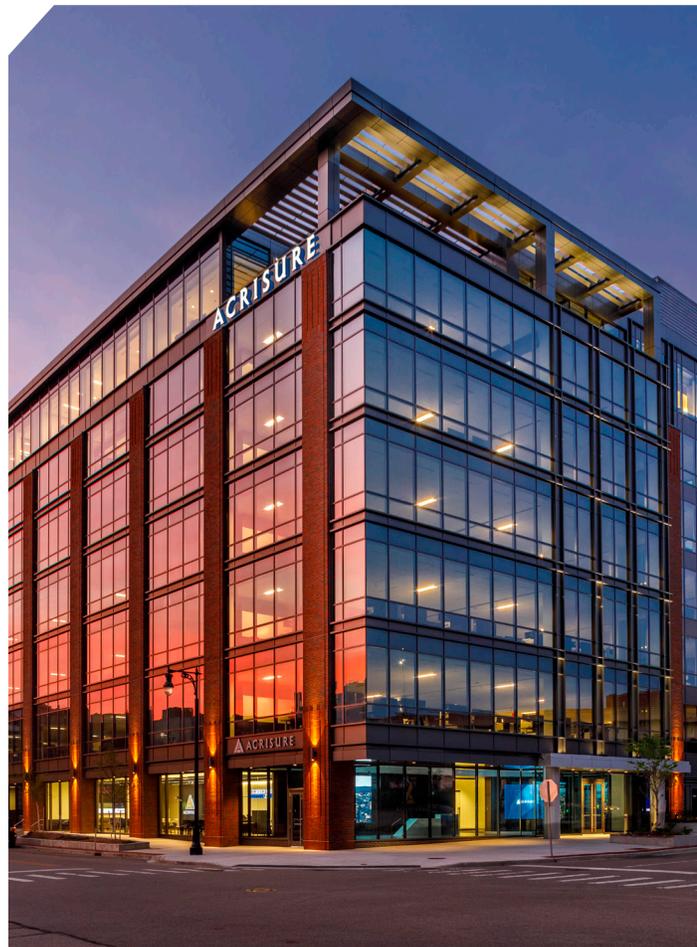
Based on Q3 2025 earnings reports, renewal price changes for the small business segment ranged from 5% to 10% for scaled, publicly traded underwriters focused on servicing this segment. From September '24 to September '25, The Consumer Price Index in the United States grew by 2.5%³. Despite preceding quarters being worse, the data shows that insurance continues to stand out as a consistent cost SMBs face.

Pricing for GL stands out as an increasing contributor to a client's overall spend on insurance. For the same group of writers above, \$750m of casualty reserve strengthening was actioned in Q3 of 2025. That figure was closer to \$4B over the course of 2024.

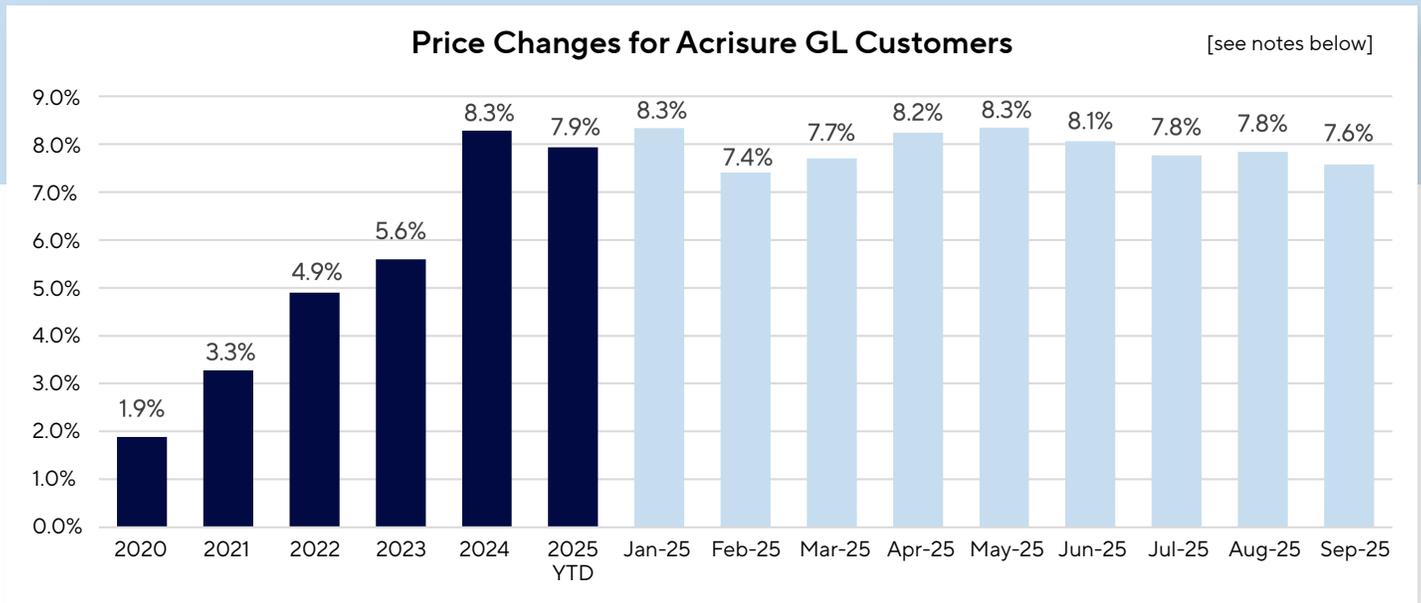
Catalysts of these pricing changes include:

- Legal system abuse effectuating a reset in the price of claims
- Subsequent outsized verdicts have had a contagion effect upon the SME market, proliferating the number of full limits losses
- Excess and umbrella covers have been most impacted with commercial auto also affected
- Pairing all other factors with medical costs and economic inflation exacerbates the financial damage to multiline carriers and paints a complex picture for market participants

While the complexity of GL exposure in the US marketplace is well documented, its impact upon the SME market segment is more difficult to contextualize. Additionally, despite there being a common set of fundamental traits relating to the SME insurance market, clients experience the impacts of these market trends in unique ways.



“ The data hints at a lag both in reaching the pricing peak and for the impact of market softening to take hold, suggesting there may be a unique insulation dynamic for SME businesses”



Market-wide GL price increases peaked across 2021 and 2022 at a double-digit average. GL pricing for Acrisure’s clients reached its peak in 2024, suggesting that the SME segment experiences a lag in its reaction to industry-wide pricing trends. The early indication is that - in line with the broader insurance marketplace - increases in price for GL coverage are starting to moderate for Acrisure’s clients. In Q3 2025, GL renewal premiums for Acrisure’s clients rose 7.9% on average - a slight ease from the 8.7% increase of 2024. This remains above the U.S. industry-wide trend (roughly 3-4% average increase in primary GL rates across Q1-Q3 2025⁴).

The data hints at a lag compared to the wider market both in reaching the pricing peak and for the impact of market softening to take hold, suggesting there may be a unique insulation dynamic for SME businesses. In considering this marketplace, there are a number of factors which may be contributing to this phenomenon. The SME market is dominated by packaged policies, placed predominantly in the far more admitted market, due to regulation and substantial barriers to entry. The SME marketplace experiences less challenge from the more price malleable excess & surplus (E&S) market than has been prevalent elsewhere, protecting the pricing environment for admitted carriers.



The E&S market was home to 3.6% of total property/casualty direct premiums in 2000, that increased to 12.3% by the end of 2024⁵. During the same period, the surplus lines market’s share of commercial lines direct written premium has more than tripled from 7.1% to 25.7%⁵. It is still unclear as to whether the extent of that dynamic has been matched within the SME marketplace. Acrisure^{IQ} data engine tracks this data closely and we expect to deliver insight here in a future iteration of this report. Low churn and high retention are fundamental attributes of the SME marketplace.

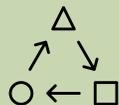
While insureds in the SME marketplace are naturally price-sensitive, the stability and quality of service is paramount. When needs for high-quality service, confidence in product and claim performance are satisfied, SME clients are less inclined to re-market their policies regularly. This dynamic is accentuated by high extents of automation and digital proficiency in the carrier offering, making renewing with the existing carrier a smooth experience.

These dynamics bring both upside and drawbacks. SMEs suffer less aggressive price hikes through hard markets and far smoother entrance into those market cycles. But, in softer markets, less dramatic price reductions are available and the pathway to a lower price is a longer one.

To summarize, SME pricing insulation is rooted in:



Client preference for stability



High levels of automation & digitization



Rigidity of admitted market pricing



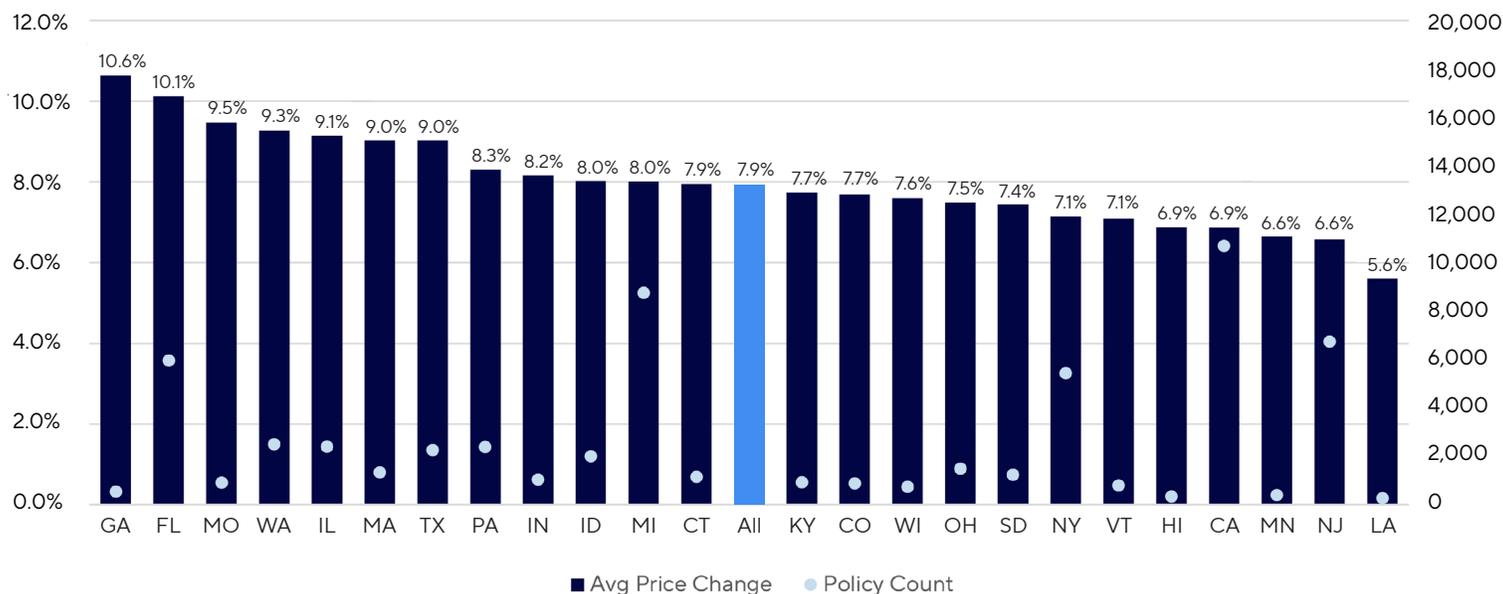
Low extents of challenge from E&S market

Result: Unique client price elasticity dynamic

Geographical Segmentation

By state 2025 price changes for Acrisure GL customers

[see notes below]



For the SME market, GL pricing is linked to catastrophe exposure because it is typically housed within package policies. 71% of Acrisure’s SME customers purchase GL coverage bundled within a broader policy. This practice is common in the market, with positive correlation between size of insured and extent of standalone GL policies. Similar to policy flow in and out of the E&S market, insured buying behavior relating to GL coverage is not only indicative of market stress, but also the maturity of a client’s exposure profile. Exposure to catastrophic loss events is a clear driver of price; Florida, Texas, California & Colorado appear in the top 24 states above. Florida and Georgia topping the list at numbers one and two.

Following the largest-ever wildfire insured loss in 2025 (\$40 billion⁶), the state of California saw substantial dislocation in its insurance market; several carriers exited the state entirely or ceased writing new policies exposed to wildfire, with the heaviest impact experienced by personal lines insureds. This trend is exemplified by the California FAIR Plan, whose policy count reached 610,000 as of June 2025 – a 31% year-over-year increase. This growth corresponds to \$1.84 billion in annual premium, with \$1.64 billion attributed to personal lines risk⁷.

The pricing impact for SMEs, although significant, was muted relative to other parts of the market, due to the unique dynamics of the SME marketplace outlined earlier.

⁶) Swiss Re Institute.

⁷) BeInsure (https://beinsure.com/news/california-fair-plan-surges-650bn/?utm_source=chatgpt.com).

“ ...in some states, GL exposure is contributing more than ever to insurance pricing variability for SME businesses.”

According to Acrisure’s data, in some states, GL exposure is contributing more than ever to insurance pricing variability for SME businesses. Following such a benign year for catastrophe losses – no hurricanes made landfall in the US, the first time this has happened in a decade – the insurance market should expect liability exposure to continue to drive insurance pricing for SMEs.

As mentioned, the Acrisure^{IQ} GL Price Index saw Florida and Georgia topping the list. Both states have historically presented a uniquely stressed insurance market for SMEs, driven by the continuous threat of catastrophic losses. More recently, the impact of social inflation and litigation financing on damage payouts has driven participants from the marketplace constraining supply and further inflating price points.



A Spotlight on Florida



The softening property market is evident in the resurgence of package policies in Florida as liability premium increases accelerated, flipping the trend from the last few years where standalone GL increased slower than package.

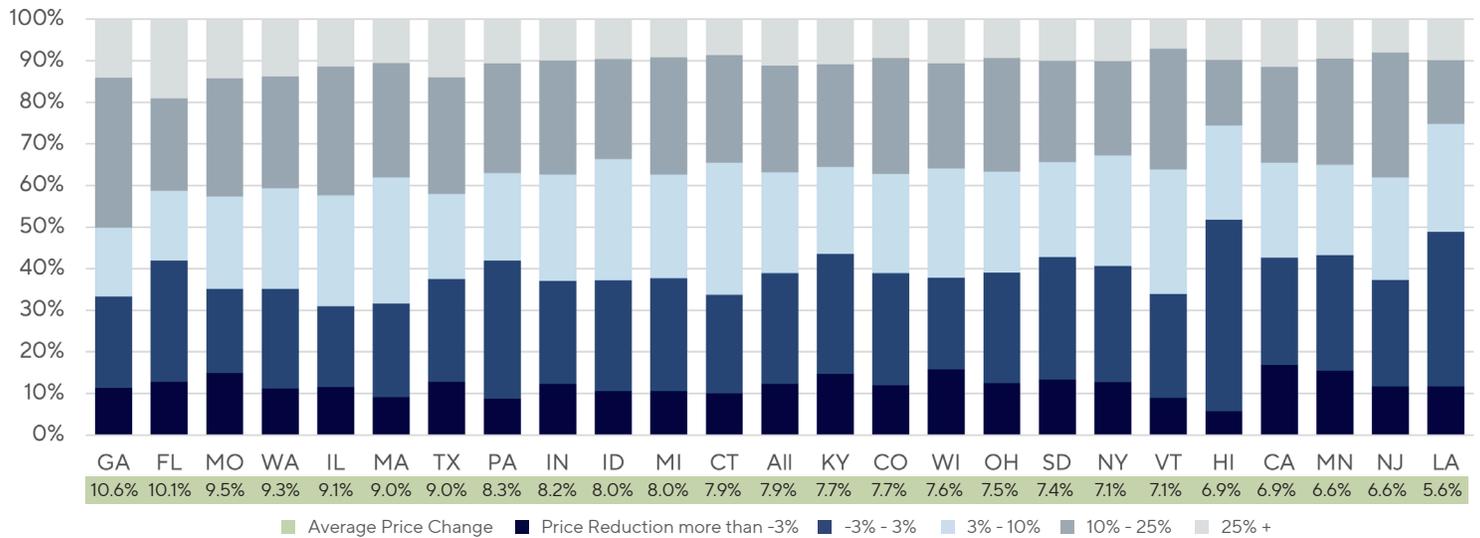
Broad tort reform was enacted in 2023 for the Floridian insurance market focusing on phantom damages, disclosure of medical financing, shortened statutes of limitations, amended negligence standards, bad faith lawsuits and attorney awards. As the reforms took hold, 17 new insurers entered the state and Florida's nuclear verdict ranking dropped from second to tenth in the nation with litigation dropping by 30% from pre-reform levels⁸. firm in the state, with a total 40% change over the last 5 years.

Price Changes for Acrisure GL Customers

Florida	2021	2022	2023	2024	2025
Premium Change	3.9%	6.3%	7.3%	7.2%	10.1%
Commercial Package	5.0%	7.1%	9.6%	8.4%	9.9%
General Liability	3.2%	5.8%	6.1%	6.8%	10.2%
Package Share	40.1%	39.8%	39.5%	36.6%	38.1%

A Spotlight on Georgia

Acrisure^{IQ}® US General Liability - 2025 Pricing Index



Broad tort reform was enacted in 2025 for the insurance market in Georgia matching many of the changes made in Florida. However, in many instances it went even further, focusing on restricting negligent security liability, trial bifurcations, enhanced evidencing requirements and the recognition of the impact of jury anchoring on damage amounts. Although it is too early to see the impact of these reforms, 20 insurers have already filed for reduced auto rates⁸ indicating that players are more willing to trade in what they expect to be a fairer market.

Acrisure’s index shows that even post-reform Georgia continues to suffer tougher pricing, shining a light on another unique dynamic of the SME marketplace. Regulation of pricing, new carrier entry and product form in the admitted market – the predominant market for SMEs – causes a lag in the impact of reforms for SME customers. Often, state legislators assume the opposite, and that pricing pain will be alleviated immediately. The case study of Florida shows quite clearly that for the SME market, the impact of reform needs time to take hold.

The impact of liability-driven pricing increases in Georgia is clearly represented by the 36% of insureds experiencing 10-25% pricing increases in the state, well above any other state. That said, the proportion of clients experiencing 25%+ pricing increases remains highest in Florida. As the impact of social inflation eases following tort reform in that state, we expect the underlying structural nature of the exposure environment to prevail as the predominant driver of pricing for SMEs. This points at a persistent and disciplined commitment from participating carriers to achieve rate adequacy in a state where catastrophe risk will remain a peril indefinitely.

Summary

Pricing increases experienced by US SMEs for GL coverage in the admitted insurance market have slowed over the course of 2025. This reduction has been less dramatic than those observed in the broader marketplace for GL, suggesting a lag in pricing trends and a dynamic of insulation, caused by a set of factors that are specific to the marketplace for SMEs. SME clients in certain geographies have suffered more severe pricing increases for GL products, largely where the legislative environment enables consistently elevated court awards. In some geographies, GL exposure has matched or even overtaken exposure to catastrophic loss events as the predominant driver of insurance spend for SMEs. While policy changes tend to reduce pricing intensity, the impact is slower to reach SME buyers because of the insulation effect described above.



Methodology & Data Notes

Data Source: Acrisure^{IQ} data engine aggregates renewal data across >1,000,000 accounts. The analysis on GL included in this release relates to 90,000 policies. The reduction in sample size comes from a commercial lines focus, with policies including general liability.

Industry Segmentation: The targeted sample features construction, transportation and manufacturing risk. These densities of high-risk industries should be factored into conclusions drawn from the pricing analysis included in this report. For future iterations, as the Acrisure^{IQ} team dives deeper into specific geographies and industry segments, these concentrations will become more pronounced and the bias associated should be considered.

General liability definition: Acrisure GL customers are all Acrisure retail commercial P&C customers who purchased a policy containing general liability. If other coverages are bundled with GL, total premium is included.

Client Profile: 96% of Acrisure's North American Retail commercial lines clients have 100 or fewer employees.

Carrier Mix: 75% of GL policies are with admitted carriers; 25% are E&S.

