

# One-Year Lookback on California Wildfires: What Employers Need to Know in 2026

Insights

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One year after devastating wildfires disrupted large swaths of Southern California, the state's business community is firmly in recovery mode. Employers are reopening facilities, rebuilding worksites, expanding operations, and ramping up hiring. But while doing so, businesses should be aware of some California-specific laws while also preparing for future wildfire seasons and other climate-driven events. This Insight takes a brief look back at what employers experienced over the past year but primarily focuses on practical steps employers should be taking now – especially if you are expanding into California or supporting reconstruction efforts.

## A Year Later: What the Recovery Looks Like in Practice

Available data shows the massive impact of the 2025 wildfire season, but also demonstrates some real momentum when it comes to the recovery:

- **More than 6,800 businesses and over 47,000 workers** were directly impacted by the wildfires across affected regions.
- **Approximately 93% of wildfire-related insurance claims had been partially paid** by mid-2025, meaning that billions of dollars in rebuilding and operational funding have flowed into the reconstruction system.
- **Hundreds of rebuilding permits** have been issued, signaling sustained business reinvestment.

*Source: Study from the Los Angeles County Department of Economic Opportunity (DEO) and the Los Angeles County Economic Development Corporation (LAEDC)'s Institute for Applied Economics, October 1, 2025.*

## Preventive Steps Employers Should Take Before the Next Disaster

Wildfires are no longer rare, one-off events. Employers operating in California should treat disaster readiness as a necessary component of doing business in the state. Here are some initial steps to consider when it comes to this challenge.

- **Update Business Continuity and Emergency Action Plans**

We recommend you develop a written Emergency Action Plan that includes, as required by Cal/OSHA, procedures for conducting evacuations in fires and other emergencies, and train employees on following the Plan procedures. At the same time, identify in a Business Continuity Plan essential functions that can transition quickly to remote or alternative worksites. It is also essential to maintain updated employee communication protocols, including emergency notifications and supervisor escalation plans.

- ***Prepare for Wildfire Smoke and Air Quality Events***

Review Cal/OSHA's Wildfire Smoke Standard and develop written procedures for monitoring the Air Quality Index (AQI) during wildfire season. When the AQI reaches triggering thresholds, implement control measures to reduce employees' exposures to wildfire smoke such as moving employees to enclosed ventilated indoor areas, changing employees' work schedules, and providing NIOSH-approved respirators for those employees working in areas with elevated AQI levels. Train managers to act quickly when air quality deteriorates, rather than waiting for formal evacuation orders. And you should train employees on wildfire smoke topics consistent with Cal/OSHA requirements.

- ***Review Your Leave, Pay, and Attendance Policies***

Confirm your policies address emergency closures, reporting-time pay obligations, and protected leave related to evacuations, school closures, or disaster recovery. Ensure your payroll teams understand when wage obligations continue despite temporary shutdowns.

□ We recommend you review our [Employer FAQs for the California Wildfires](#) for detailed guidance related to your health and safety obligations, and practical suggestions when it comes to workplace safety.

## **What Construction and Out-of-State Employers Need to Know When Entering California**

Reconstruction has drawn construction companies, contractors, and service providers from across the country, many of whom may be unfamiliar with California's uniquely strict workplace rules. Here is a crash course on the key compliance risks to watch for.

### ***Wages and Pay Practices***

- California's statewide minimum wage continues to rise, with local ordinances often setting even higher rates ([read more here](#)).
- Overtime, meal periods, rest breaks, and timekeeping violations remain leading sources of litigation.

## ***Worker Classification***

- California's ultra-strict ABC test continues to make independent-contractor classification difficult.
- Misclassification risks are especially high for short-term reconstruction projects and subcontracting arrangements.

## ***Workplace Safety***

Cal/OSHA standards implicated in wildfire smoke cleanup and subsequent construction, including on the identification and control of harmful exposure, and in providing respiratory protection and other personal protective equipment.

## ***Expanded Worker Protections (2025–2026)***

Recent and upcoming changes employers should factor into their planning include:

- New notice and posting requirements
- Expanded leave and accommodation protections
- Enhanced penalties for unpaid wage judgments
- Increased enforcement authority at the local level

For a full list of new laws that have recently taken effect, read FP's [Employer Guide to California's New Workplace Laws Coming in 2026 \(and Beyond\)](#).

## **What Should You Do?**

As businesses reopen, rehire, or expand operations into California, now is the ideal time for a review of your policies and practices to make sure you are covered.

- **Engage counsel early when entering California**, even for temporary projects, to avoid common missteps that often lead to enforcement actions or costly litigation.
- **Regularly audit pay practices** against California and local wage laws – and consider engaging your attorney to assist to get the benefit of the attorney-client privilege.
- **Update employee handbooks or other policies** to reflect current wage-hour and leave, discrimination, and accommodation requirements.
- Confirm all **required workplace postings and notices** are in place.
- Provide **California-specific supervisor training**, especially on wage-hour compliance and protected leaves.

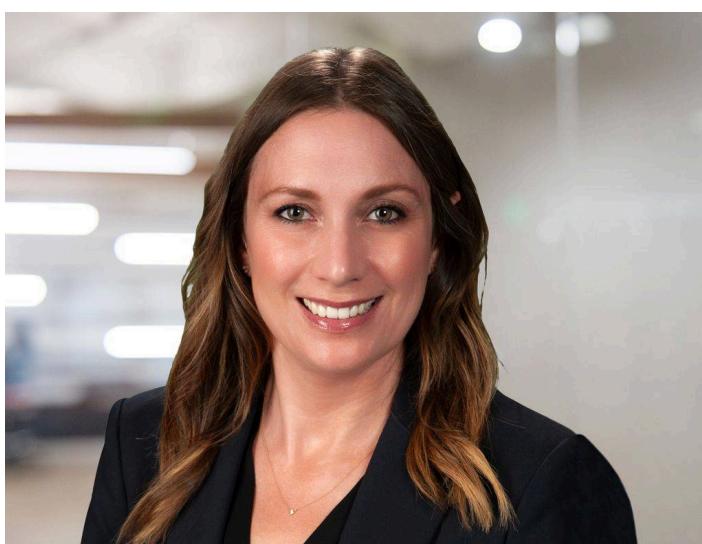
- **Review vendor and contractor agreements** to ensure wage-hour, classification, and indemnification provisions align with California law, especially for short-term reconstruction projects.
- **Review and update Emergency Action and Site-Specific Plans** now, not during the next emergency.
- **Evaluate remote-work readiness** for emergency scenarios, including payroll, timekeeping, supervision, and expense reimbursement when employees work offsite during closures.
- **Document your efforts:** proactive planning can significantly reduce your legal risk.

## Conclusion

Make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information. For more information, contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in [our California offices](#) or on our [Emergency Planning and Response Team](#).

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