SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2401

STATE OF NEW JERSEY

DATED: MAY 18, 2026

The Senate Commerce Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 2401.

The committee substitute requires each scrap metal business in the State to reduce the likelihood of a fire by, at a minimum: (1) installing and maintaining heat detection equipment capable of detecting an incipient fire or potential hot spots; (2) developing a fire safety plan in coordination with the local fire department official or fire marshal, which is to be made in writing and publicly available upon request; (3) making available, to any fire code official investigating the scrap metal business as a result of a fire at the business, records retained pursuant to current law; and (4) confirming that the pile height of combustible material, noncombustible material, or a combination thereof does not exceed 55 feet.

Additionally, a scrap metal business that contains an unprepared metal shredder feedstock stockpile with over 200 tons of unprepared metal in a single stockpile for any 24-hour period is to install a fire suppression system that can be remotely operated and is designed to prevent hot spots from flashing into fires by rapidly extinguishing future fires and reflash. The system is to include, but not be limited to: (1) an overhead fire suppression system including water towers with articulating water supply heads and related water supply improvements; (2) monitored heat detection equipment around piles of at least 500 tons to identify hot spots prior to ignition; and (3) annual certification by a fire safety engineer, the National Fire Protection Association (NFPA) and the Division of Fire Safety within the New Jersey Department of Community Affairs, to meet all NFPA and State regulatory fire prevention standards for the industrial activity.

Under the substitute, the county enforcing agency is to review and approve, in writing that is to be displayed in a conspicuous manner in the office of the scrap metal business or on the Internet website of the business, that a scrap metal business demonstrates that it installed heat detection equipment capable of detecting an incipient fire or potential hot spots, developed a fire safety plan in coordination with the local fire department official or fire marshal, and, if applicable, met the requirements for a scrap metal business that contains an

unprepared metal shredder feedstock stockpile with over 200 tons of unprepared metal in a single stockpile for any 24-hour period.

As reported by the committee, the Assembly Environment and Solid Waste Committee Substitute to Assembly Bill No. 2401 is identical to the committee substitute for Senate Bill No. 312, which was also reported by the committee on this date.