

FOOD TRUCKS



An LRO Backgrounder



March 2020



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Introduction

Food safety in the United States is largely governed by the states. In 2018, according to the National Conference of State Legislatures (NCSL), state legislators introduced 756 bills related to food and food safety. Of the 756 measures introduced, state legislative bodies enacted 170 laws.¹

In Nebraska and across the country, consumers are increasingly seeking fresh, innovative, locally sourced food options. Growing public interest in farmers markets, the cottage food industry, and street food presents new challenges for legislative bodies seeking to regulate food safety and food sales.

In line with this trend, the Nebraska Legislature took up two bills in 2019 — LB 304 dealing with the state’s cottage food laws and LB 732 which focused on making the state more “food truck friendly.”

LB 304 was adopted by the Legislature and expands the locations where non-hazardous foods such as breads or pastries can be directly sold to the public. It also permits the pickup and delivery of food items from private homes. Prior to passage of the legislation such sales were only allowed at farmers markets.

LB 732, the food truck bill, did not pass. The bill would have streamlined and standardized the licensing process for food trucks in Nebraska. Among its provisions, the bill would have required that all food trucks register with the Department of Agriculture, plus it would have prevented individual cities from imposing requirements that were more stringent than those adopted by the state.

Additionally, cities could not require food trucks to pay fees or obtain additional permits for operating in multiple locations or on more than one day. Although the food truck bill did not pass, it is highly likely that similar legislation will be introduced in the future.

This report examines some of the issues Nebraska and other states face when trying to balance the interests of the new and rapidly growing food truck industry with those of the established restaurant industry, while at the same time maintaining high standards of public health and safety. We briefly trace the history of the modern food truck; look at the food truck industry today; examine the pros and cons food trucks pose for states and communities; discuss efforts to regulate food trucks; highlight some of Nebraska’s food truck regulations; consider recommendations for regulatory reform; and see how states are responding to this new challenge.

A Popular Alternative



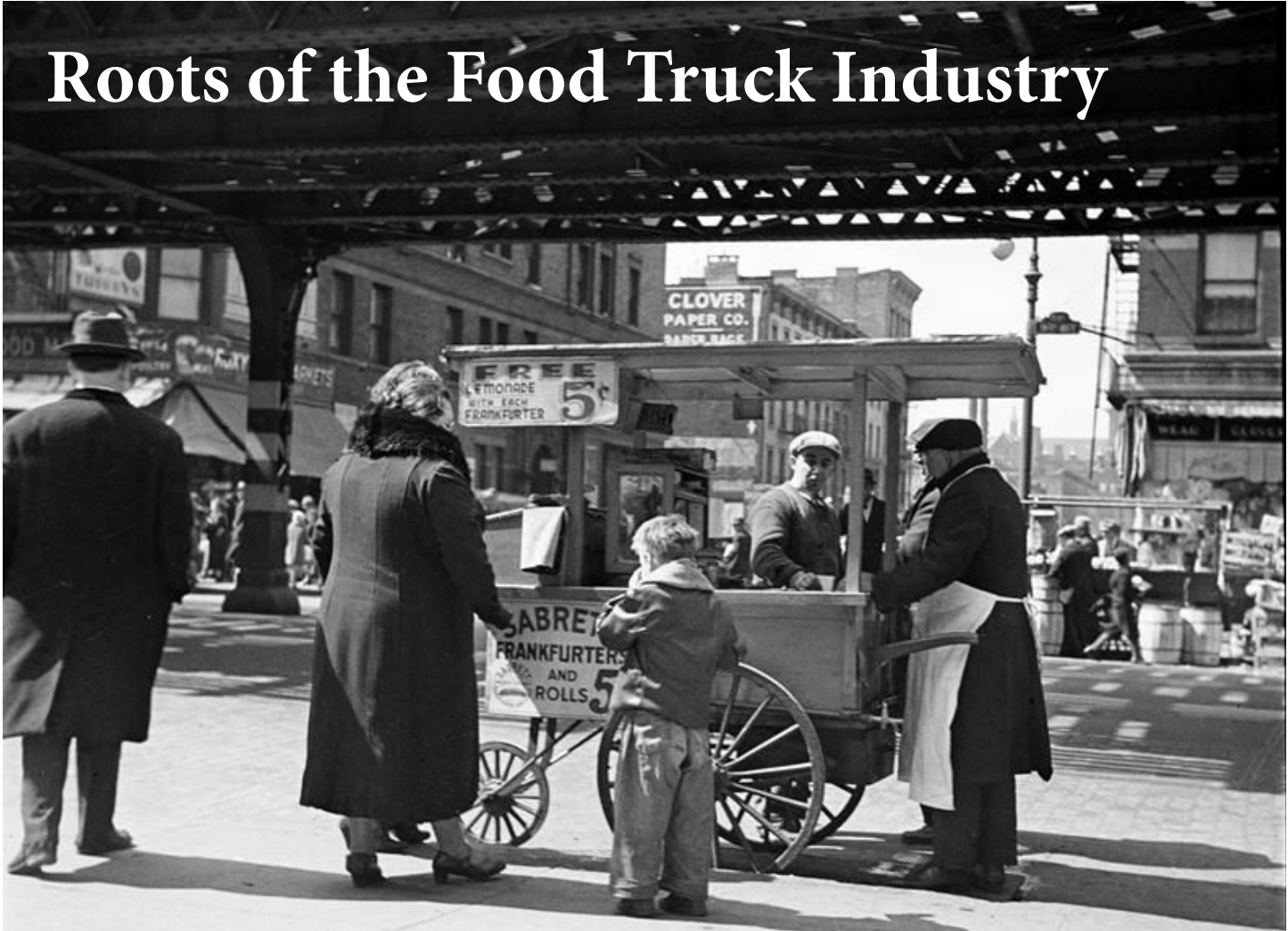
The past ten years have produced something of a food truck revolution. Nearly overnight, food trucks have become regular fixtures in major metropolitan areas as well as in smaller communities. In a 2017 report, the U.S. Chamber of Commerce Foundation estimated that food trucks were operating in 300 cities across the country.² The website FoodTrucksIn.com tracks the locations of food trucks across the country in real time and puts today's number at over 1,800.³ In Nebraska, it is no surprise that Omaha and Lincoln have a strong food truck presence, but smaller communities, such as Nebraska City with a population of 7,422, also have food trucks.

Food trucks appeal to a wide range of consumers and offer unique and innovative food to people looking to try something new while supporting local businesses. In its *2016 Generational Consumer Trend Report*, Technomic, a food service industry

research and consulting firm, estimated that 18 percent of consumers in general and 26 percent of millennials buy food or beverages from a food truck at least once a month.⁴ Millennials — loosely defined as people born from the early 1980s until 2004 — are the largest U.S. age demographic and the most likely to purchase a meal from a food truck.^{5,6} Approximately 47 percent report having eaten from a food truck at some point.⁷

Despite skepticism about its staying power, the food truck industry continues to grow. It remains popular with a public hungry for innovation and affordability in their food choices, making it the fastest-growing segment of the food service industry. While the restaurant industry has grown at an average annual rate of about two percent in recent years, the food truck sector grew at an average rate of 6.8 percent per year from 2014 to 2019.⁸

Roots of the Food Truck Industry



The history of the food truck is a reflection of American history. The modern food truck descends from two dining traditions: New York City's pushcarts, operated largely by new European immigrants, and the iconic western chuck wagon. While the design and functioning of the chuck wagon is closer to the modern day food truck, the purpose of the pushcarts – to provide readily available and reasonably priced lunches to urban workers – is nearer to the purpose of today's food truck.⁹

The First Food Trucks

It was Walter Scott, in 1872 in Providence, Rhode Island, who established the foundation for today's food truck industry. Scott modified a horse drawn freight wagon and parked it in front of the office of the *Providence Journal* newspaper where he sold sandwiches, hard-boiled eggs, pie, and coffee to the journalists and press operators working the night shift.¹⁰

A separate mobile food culture sprouted on the West Coast at about the same time. Mexican food vendors known as *tamaleros* roamed the streets of

Los Angeles in horse drawn wagons selling everything from popcorn to pigs' feet and oyster cocktails.¹¹ The majority of them hawked tamales prepared elsewhere and kept warm in steam buckets.

Today, Los Angeles is the epicenter of the food truck culture and the largest mobile food market in the United States.¹² As a state, California has 13.6 percent of all food trucks in the country, the most of any state followed by New York (11.1 percent); Florida (6.6 percent); Texas (6.5 percent); Pennsylvania (5.7 percent); Washington (5.2 percent); Ohio (4.4 percent); and Massachusetts (3.3 percent).¹³

The Refrigeration Revolution

As portable refrigeration became available, mobile food made enormous leaps forward and the variety of food that could be served safely in a mobile setting increased. In the 1920s, ice cream vendors began expanding across the country, and by the 1940s and 1950s, the trucks had become iconic fixtures in the new suburban neighborhoods that grew rapidly in post WWII America.

In the 1960s, industrial lunch trucks, also known as catering trucks, appeared on the scene. These mobile eateries earned the nickname “roach coaches” due to their questionable sanitation practices.¹⁴ Typical fare included hot dogs, burgers, and sandwiches. These trucks were lunch and break-time fixtures at factories, office complexes, construction sites, and other locations that did not have other food alternatives nearby.

Safe Eating

Today we take it for granted that going out to eat is safe and the places we go for a meal will not make us sick.

One of the keys to this feeling of security is the knowledge that food service establishments, including food trucks, are required to meet strict health and food safety standards and compliance is assured through rigorous health inspections conducted by trained public health officials.

Public health attention to regulating food establishments is a relatively recent phenomenon.

With the end of the Depression in 1939, going out to eat became more commonplace. Between 1938 and 1942, documented incidences of foodborne illness outbreaks grew by 250 percent, with documented deaths going up by over 300 percent.¹⁵ Gastroenteritis, dysentery, botulism, typhoid fever, trichinosis, paratyphoid fever, and scarlet fever are just a few of the diseases spread through contact with contaminated food.¹⁶

In 1943, the U.S. Public Health Service (U.S.P.H.S.)



Good Humor ice cream trucks became staples of 1950s suburban life.

issued its *Ordinance and Code Regulating Eating and Drinking Establishments*, a voluntary set of food safety regulations for restaurants that could be adopted by individual states to encourage a greater level of excellence in sanitary control of eating and drinking establishments.

The original restaurant sanitation program continued to evolve over the decades and in 1993 became known as the federal Food Code, which is still in place.

Today the recommendations of the federal Food Code remain voluntary. Individual states, including Nebraska, write their own food safety rules but most closely follow the federal Food Code.

Nebraska adopted its first food code in 1997 combining provisions from the federal Food Code and the 1981 Nebraska Pure Food Act.¹⁷ It was last updated in 2016.

Economic Downturn and the Birth of the Gourmet Food Truck

The 2007 economic downturn hit the industrial lunch trucks hard. As the construction trades declined with the housing slowdown, many traditional lunch trucks that had serviced construction sites went out of business, leaving a surplus of cheap used trucks on the market.

As the recession continued to deepen, consumers cut back on restaurant meals looking for more affordable food options. With fewer customers, restaurants experienced major slowdowns, causing some to close, lay off staff, or look for new business opportunities. Many highly qualified and talented chefs were forced out of traditional restaurants.

In 2008, one of these chefs, Roy Choi, started selling his own unique combination of Korean-style BBQ and tacos late at night from a repurposed food truck that he parked outside of Los Angeles nightclubs. Using Twitter to alert customers of the truck's location, in its first full year Choi's Kogi food truck grossed \$2 million in sales and became the model for fleets of "Tweeting" food trucks.¹⁸ Today Choi owns several brick-and-mortar restaurants and operates four food trucks with a Twitter following of over 150,000.¹⁹



Los Angeles-based chef Roy Choi is credited with kickstarting the modern food truck boom.

Twitter Trucks

The Twitter trucks are well-suited for today's business and cultural environment. Starting a food truck has lower risks and fewer barriers to entry than starting a restaurant. The trucks require a far lower initial investment — about \$55,000-\$75,000 — than opening a brick-and mortar restaurant which can cost \$250,000 to \$500,000.²⁰

Deviating from “traditional” street foods like hot dogs and tacos, these food trucks offer cuisine that is gourmet and unique. They offer trendy foods comparable to those found in popular restaurants and provide an intermediate option between eating at home and visiting a restaurant.

The growing accessibility and use of social media platforms, smart phones, and global positioning applications have allowed mobile food vendors to

market their products efficiently and at little cost. No longer do they have to wait for customers to come to them; they can go where the customers are, changing their locations daily or even several times a day. Social media allows them to alert customers about where they will be, publish new menu items, make special offers, and encourage customers to leave online reviews.

The “Other” Food Truck

While the gourmet food truck is often the face of the food truck revolution, another type of less glamorous food truck occupies an important place. These food trucks tend to be older, often previously owned, and feature authentic ethnic foods from around the globe. In contrast to the gourmet trucks, these food trucks are often operated by immigrants or others on the first rungs of the economic ladder, just like the first pushcart peddlers in New York City.²¹

Government to Go

Even city governments have found creative ways to use the food truck concept. The Boston city government launched “City Hall to Go” with a menu of city services such as dog licenses and requests for birth certificates. The truck is a unique way to convince reluctant city dwellers to take care of business they might otherwise put off. The truck’s mobility allows it to reach neighborhoods far from city services.



Food Truck Vendor Demographics

Demographic data on food truck vendors is virtually nonexistent. No government agency maintains statistics on food trucks or food truck vendors and the data that does exist often comes from case studies in individual cities and is not generalizable to the country as a whole.

In 2013, the Institute for Justice, a 501(c)(3) nonprofit public interest law firm with a keen interest in the food truck industry, conducted the first comprehensive survey of the nation's street vendors. The survey included 763 vendors located in the nation's 50 largest cities, including Omaha. Although the survey was administered to all street vendors and not limited to food truck vendors, 83 percent of those surveyed were mobile food vendors.²²

The survey found that slightly more than half (51 percent) of street vendors are immigrants who have lived in the United States for an average of 22 years. Approximately 62 percent of today's street vendors are persons of color, including 35 percent who are Hispanic.²³

The industry also attracts a broad range of aspiring entrepreneurs: young first-time business owners, ex-professionals looking for a new career path, and retirees not quite ready to retire. Established restaurateurs have also taken advantage of the mobile food trend to expand their existing businesses.²⁴ Unlike earlier vendors, these newcomers tend to be white and middle class.²⁵

Most vendors (66 percent) are between 25 and 54 years old.²⁶

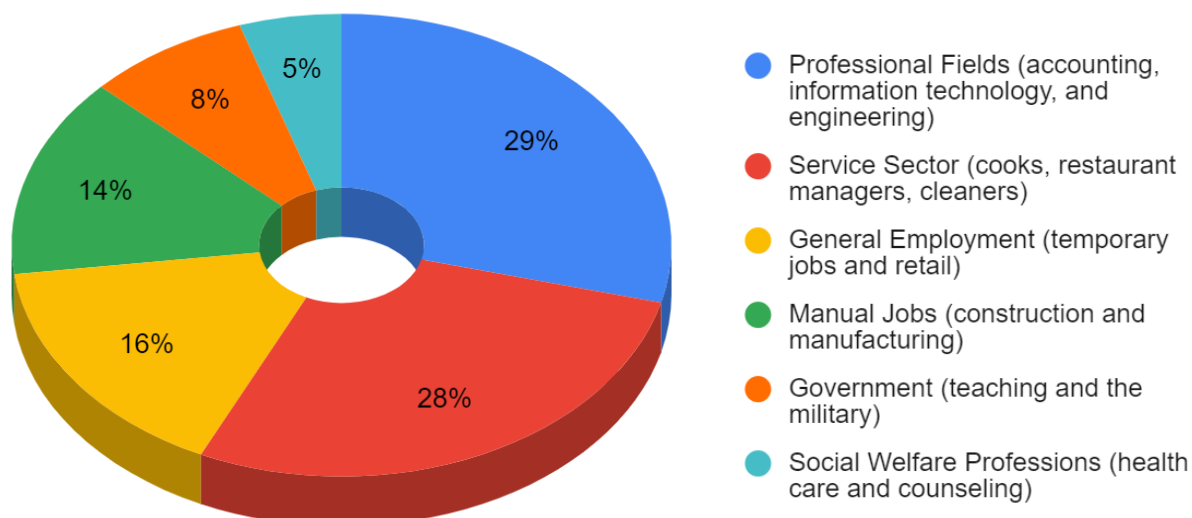
Over two-thirds (68 percent) of vendors are men, but street vending offers many women the opportunity to start their own businesses.²⁷

Approximately 30 percent of street vendors are college graduates while 28 percent have less than a high school education.²⁸

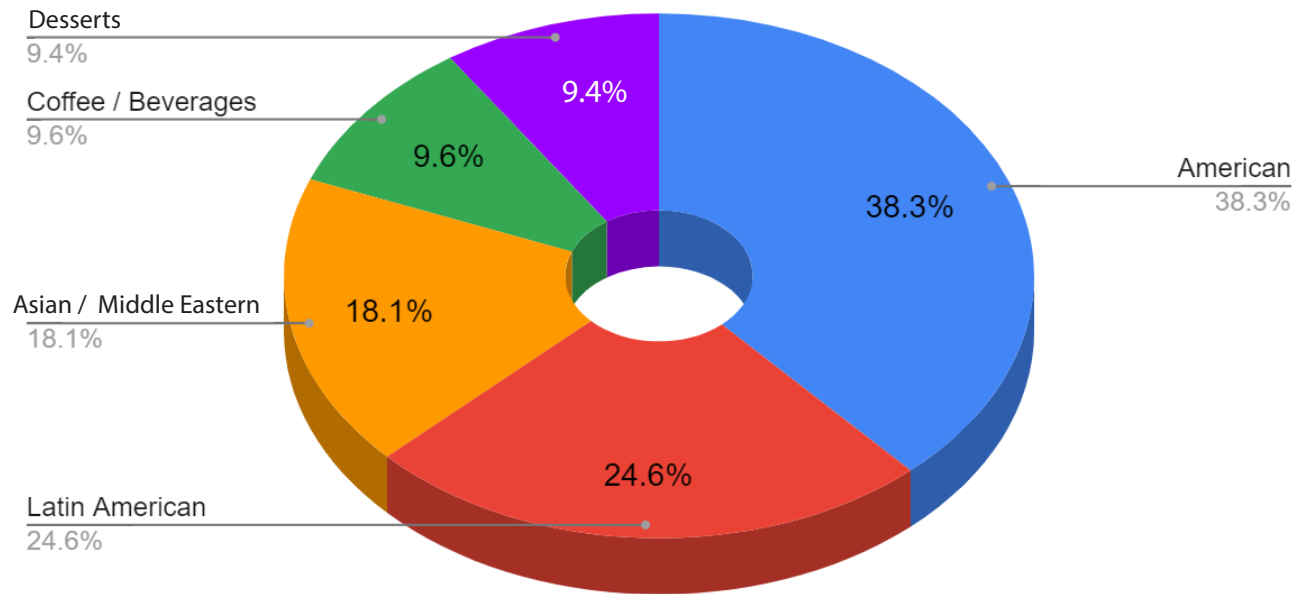
An estimated 10 percent of street vendors are veterans, and of those veterans, 32 percent are disabled. Many state and municipal vending laws make special accommodations for this population.²⁹

Truck Owners' Previous Employment

About 73 percent of food truck operators worked in other occupations before coming to street vending.



Food Trucks by Cuisine Type



Food Trucks by the Numbers

Establishing baseline numbers for the food truck industry is difficult for several reasons. Food trucks are small businesses owned by individuals or families and some are only operated part-time or seasonally. Often seasonal businesses or part-time businesses are not included in industry reports.³⁰ The number of mobile food vendors changes frequently as new businesses come and go. One in seven do not survive beyond three years.³¹

The number of active food truck businesses operating in the United States has been a topic of much debate over the past few years. Some estimates put it as high as 117,000.³² The industry market research group IBISWorld, reported it at 23,872 in 2019, up from 3,703 in 2016.^{33, 34} Over the same period, according to IBISWorld, industry employment grew from 13,501 to 28,916.³⁵

Revenue estimates for the industry also significantly vary. IBISWorld projects that in 2019 industry revenue will reach \$1 billion.³⁶ Another market research company, Emergent Research, estimated total revenue in 2017 to be \$2.7 billion.³⁷ No matter which figure is the more accurate, they both represent a significant increase from 2014 when industry revenue was about \$650 million. Only six years before that in 2008, food truck revenue was virtually nil.³⁸

The income distribution of vendors is highly skewed with a few making quite high incomes and most making relatively low incomes. A highly successful food truck can earn as much as \$250,000 to \$500,000 a year, but most mobile food vendors earn an average of \$16,000 after expenses.^{39, 40}

Today food from around the world can be found on American streets. Of the cornucopia of cuisines served up by food trucks, approximately 38.3 percent is American; 24.6 percent is Latin American; and 18.1 percent is Asian/Middle Eastern. Other items such as coffee or beverages make up 9.6 percent and desserts account for 9.4 percent.⁴¹

Food Trucks in Nebraska

Nebraska's food truck industry is booming. It is difficult to know exactly how many Nebraska cities have food trucks, but it is safe to say that most Nebraskans live in areas served by one or more of them. Food truck industry websites such as RoamingHunger.com and FoodtrucksIn.com report that almost all of Nebraska's largest cities — those with populations over 10,000 — have food trucks.⁴²

In addition, locations that do not have a local food truck, may be visited by food trucks based in other cities. For example, Utah-based "On the Hook Fish and Chips," owns a fleet of food trucks that operate regionally, traveling to Nebraska, Colorado, Idaho, Iowa, South Dakota, Utah, and Wyoming. They pull into town for a day, set up shop, serve food for a couple of hours, pack up, and move on to the next city. During a visit to Nebraska in July and August 2019, they visited Wayne, O'Neill, Beatrice, Norfolk, and Lincoln.

Top: Charles Phillips and his wife Lasunya Phillips make soul food they call a "Southern twist on barbecue" out of Mary Ellen's food trailer.

Middle: Muchachos' website calls its food New Mexican Fusion BBQ. The truck stops at places in Lincoln such as Tabitha, the Bourbon, and Zipline.

Bottom: Nebraska Burger offers sizzling Nebraska beef patties and handcut fries at locations around Kearney.



The Great Food Truck Debate

Since the early days of the pushcart peddlers, the presence of food vendors on streets and in other public places has prompted heated policy debates.

In the 1800's some viewed street vendors favorably. The pushcart businesses provided income for individuals with limited job skills, helping them become self-sufficient rather than turning to crime or relying on public assistance.

At the same time, many business owners and politicians perceived pushcart food vendors as undesirable. Their presence diminished the value of land, fostered crime, threatened public health, cluttered the public rights-of-way, and unfairly competed with existing business owners.

Today the pros and cons associated with food trucks closely mirror those voiced two centuries ago.

Pros



- They create jobs, especially for individuals with scarce financial resources, limited education, or few job skills;
- They offer workers considerable flexibility in hours and levels of activity and can be practiced as an extra job, increasing gross income;
- They spawn new businesses and provide existing businesses with opportunities to expand and innovate;
- They provide consumers with an increased variety of fast, inexpensive, and innovative food options; and
- They are a potential source of government tax revenue through licensing and permitting fees, sales taxes, and income taxes.⁴³

Cons



Adverse effects on public health and safety including:

- Congested streets, sidewalks, and public areas;
- Unsanitary environments resulting from litter and food waste;
- Disruption to communities caused by noise, unpleasant smells, and crowds; and
- Unsafe food due to the lack of adequate cooking, storage, and disposal facilities.

They have an unfair advantage over brick-and-mortar food establishments because:

- They do not have to pay rent or incur the costs of owning and maintaining property;
- They do not have to hire staff to attend to customers; and
- They have the ability to easily relocate if business declines or a better location is found.⁴⁴

The Regulatory Landscape

Food truck regulations are a hodge podge of state and municipal laws. Generally viewed as more of a nuisance than a crisis, regulation of mobile food vendors is seldom high on any government's priority list. Vending legislation is often pieced together incrementally and enforced by different city, county, and state agencies. According to the U.S. Food and Drug Administration (FDA), across the country, over 2,000 different state and local agencies are responsible for regulating food trucks.⁴⁵

Adding to this, regulating food trucks is made even more complicated because they are both vehicles and food service establishments making them subject to two different sets of laws.

Regulatory Complexity

Developing regulations that balance the sometimes competing interests of protecting public health and safety, encouraging new enterprises while not harming existing businesses, and keeping the public happy is no easy task.

Generally, food truck regulations fall into four categories:⁴⁶

- Licensure and fee requirements;
- Use of public or private space (such as permission requirements, parking restrictions, or time constraints);

- Public health (sanitation and food safety guidelines); and
- Public safety (requirements for background checks or ensuring pedestrian and traffic safety).

States Take the Lead

As food trucks grew in popularity, states set health standards for them, usually the same ones applied to brick-and-mortar food service establishments. Most states rely on the U.S. Public Health Service's model Food Code to craft their food health and safety regulations so there is a lot of similarity across states.⁴⁷

Beyond adhering to basic food health regulations, states significantly differ in their level of involvement in the oversight of food trucks. Some states, such as Nebraska and Kansas, have relatively few state-mandates. Both states require each food truck to obtain a license or permit from their state department of agriculture and to adhere to their state's Food Code.

Other states, such as California and Colorado, take a very active role and have many additional state-mandated requirements. In California, mobile food units must operate within 200 feet of an approved toilet if stopped to conduct business for more than one hour.⁴⁸ In Colorado, a list of menu items must be submitted to the Department of Public Health.⁴⁹



Nebraska State Food Truck Regulations



Mobile Food Unit - a vehicle mounted food establishment designed to be readily movable that returns to a commissary daily for cleanup and service.⁵⁵

Commissary – A food establishment where food, food containers, or food supplies are kept, handled, prepared, packaged, or stored for use in mobile food units.⁵⁶

In Nebraska, food trucks are referred to in statute as mobile food units.

Mobile food units made their way into Nebraska statute in 1981 via LB 487 which adopted the Nebraska Pure Food Act.⁵⁰ The act incorporated the 1978 recommendations for food service sanitation put out by the FDA that noted that food served from mobile food units is subject to the same contamination as other food establishments and that mobile food units should be regulated in the same manner, and provide the consumer with the same degree of food protection as any food service establishment.⁵¹

Today a mobile food unit is subject to the same regulations and permitting requirements as a brick-and-mortar food establishment. Neb. Rev. Stat. secs. 81-2,239 to 81-2,292 along with the Nebraska Pure Food Act⁵² and the Nebraska Food Code,⁵³ set out regulations for mobile food units. These include:

- All food establishments — including mobile food units — must have a valid permit from the State of Nebraska;⁵⁴
- The permit application is submitted to the Director of Agriculture; the current permit fee

is \$79.23;⁵⁷

- An initial inspection fee must be paid at the time of application. In subsequent years, an annual inspection fee is due on August 1 of each year. The current inspection fee is \$39.60;⁵⁸
- The director sets the permit and inspection fees on or before July 1 of each fiscal year;⁵⁹
- Each mobile food unit must have its own permit and a copy of the permit must be available at each unit when in operation;⁶⁰ and
- A mobile food unit may be moved if the permit holder is able to provide the location of the unit to the regulatory authority upon request and the person authorized by the permit holder to receive notices and orders maintains a permanent mailing address on file with the department.⁶¹

Being mobile comes with challenges beyond those experienced by brick-and-mortar establishments. One of the most obvious is what to do about water – clean water for preparing food and disposal of waste water. The Nebraska Food Code contains specific standards for mobile food units relating to water tanks, plumbing, and liquid waste disposal.⁶²

Doing Business in Nebraska



For this report we interviewed a representative of “On the Hook Fish and Chips,” a food truck company that operates in Nebraska and six other Midwestern and Western states, about their experience doing business in Nebraska. In his assessment, overall, Nebraska’s regulatory environment is similar to that of the other states in which they conduct business.

There are some bright spots. At the state level, the permitting process with the Department of Agriculture is relatively easy and straightforward. Once an original permit is granted, the renewal process is simple.

The largest cities — Omaha and Lincoln — are also fairly easy to work with. These locations are accustomed to the presence of food trucks and have city ordinances in place that are tailored specifically for that purpose. While both cities require obtaining permits and undergoing inspections, which costs money and takes time, there are standard procedures in place which make the process understandable and manageable.

Beyond the two biggest urban areas, many smaller communities are trying to apply ordinances that were put in place long before food trucks made their appearance and simply do not work well. Ordinances such as those regulating itinerant merchants, peddlers, solicitors, or street vendors are commonly used. These ordinances were intended to regulate individuals and

not businesses.

For example, to get an operating permit in Lexington, the company has to supply background information on every individual who will be working in the truck — usually a crew of three. They operate several trucks which may be staffed differently each time they come to town — about once a month. They have to obtain a new permit for each visit and that includes repeatedly submitting background documentation for their employees. Each individual who will be working in the truck then has to pick up an identification badge at the police department and wear it at all times.

Since they do business in multiple communities, each with their own unique set of regulations, they are continuously applying for permits, providing documents, and making sure they are operating within the rules in each jurisdiction. Some permits are only good for one day or one visit and with every permit application there are additional permitting fees.

Asked what legislation would make it easier for them to continue to conduct business in Nebraska, hands down it would be creating a state-issued license that was accepted by all the communities in which they operate. This mirrors the observations of industry analysts and others who push for regulatory reform.

Food Truck Regulations by Cities

States left the creation of specific operating regulations for food trucks up to cities, consequently, the bulk of food truck regulation is done at the local level. Food truck regulators are primarily concerned with maintaining public health and safety, but preventing harm to existing brick-and-mortar businesses is often a consideration when crafting food truck regulations. The push for stringent regulation of mobile food vendors often comes from local restaurants and restaurant industry trade associations who see food trucks as unfair competition.⁶³

As the popularity of mobile food vending has grown, many cities have found themselves with outdated or inadequate policies for regulating the industry. Some cities have no food truck regulations and have simply extended their existing laws for ice cream trucks, solicitors, peddlers, hawkers, itinerant vendors, or some other miscellaneous category to cover food trucks.

Cities rarely allow or ban food trucks outright, but they do determine the rules over how, where, and

when food trucks can operate. They have explicit guidelines for inspection, permitting, and fees. They set how many days a food truck can operate each year as well as their allowable operating hours. They specify permissible operating locations and parking proximity to existing establishments and other food trucks. They determine whether parking is allowed in public rights-of-way or on private property. They establish the duration a food truck may remain stopped in one location. They also prescribe whether a food truck operator or employee must pass a background check.

A food truck owner operating in multiple communities, even those only a few miles apart, must navigate different regulations in each jurisdiction. He or she may be required to pay multiple licensing or permitting fees, undergo inspections in every city in which he or she intends to operate, or provide the same documents to several different local government offices. Industry proponents cite these issues as significant burdens in starting or continuing a food truck business.⁶⁴

Meals on Wheels Roll into Schools

School districts are starting to lure their students into eating better by getting their own food trucks up and running. Though the trucks mostly serve the same foods as the cafeteria and the costs are the same, the students find food from a truck more appealing. With minimal equipment, a school food truck can serve up to 700 students in less than two hours. School districts in Minneapolis, Austin, and Boulder Valley, Colorado have added food trucks as a trendy alternative to the standard cafeteria that can help keep students on campus.



How Nebraska Cities Regulate Food Trucks

Just as food truck regulations tremendously vary across the country, the same is true in Nebraska cities. Following is a sampling of the myriad food truck regulations across Nebraska.

Food trucks are regulated by a number of different laws and ordinances. For example, In Kearney and Norfolk, food trucks are regulated under itinerant merchant, peddler, and solicitor ordinances.^{65, 66} In Bellevue, food trucks are regulated under peddler's ordinances.⁶⁷ In South Sioux City they are considered itinerant vendors.⁶⁸ Scottsbluff does not regulate food trucks at all.⁶⁹

Licensure and fee requirements. Cities significantly vary in the costs and requirements for obtaining permits and licenses. North Platte has no licensing

requirements.⁷⁰

Licensing fees run from \$40 in Fremont to \$300 in Bellevue.^{71, 72} Alternatively, some cities, such as Hastings and LaVista, do not have license fees but instead require payment of occupation taxes.^{73, 74} Others such as Kearney and South Sioux City require food truck operators to do both — purchase a permit and pay occupation taxes.^{75, 76} In Beatrice, in lieu of an operating permit, a food truck vendor must submit a letter to the City Council for approval.⁷⁷

Permits are issued by a variety of city departments. In Norfolk, operating permits are issued by the city clerk.⁷⁸ In other communities, such as Columbus and Kearney, permits are issued by the police department.^{79, 80} In Grand Island, permits are issued

Lincoln to Become More Food Truck Friendly

Since food trucks first appeared in Lincoln in 2011, the city has been anything but food truck friendly. This is about to change — at least for a while. In April 2020, Lincoln will begin a six-week pilot program making it easier for food trucks to operate on city streets.

Under the new program, food trucks will be permitted to park in metered stalls that have been blocked off for a few hours to create a food truck zone. A \$10 fee will be charged for the time a parking meter is blocked off. Stalls will be assigned on a first come, first served basis.

Currently, food trucks wishing to operate in a location for more than 10 minutes must park on private property or obtain a special event permit from the city. The special permit must be applied for four weeks in advance and requires a street closure.

To limit the impact on brick-and-mortar businesses, a food truck zone must be at least 100 feet from an existing restaurant.

The Lincoln city council will have the final say on the future of the city's food trucks. The council must approve any changes to city code affecting food trucks.⁸¹



Chef Eddy (Eddy Cloran) and Cherry Kress operate Nitro Burger in Lincoln, serving a menu of unique gourmet burgers such as the Buffalo Bill Bacon Burger and the Taco Truck Burger. The two were considering getting out of the food truck business altogether, until Lincoln announced the relaxed regulations.

by the district health department.⁸²

Use of public or private space. Cities also have many different requirements on where food trucks are allowed to conduct business. In Omaha, for example, mobile food vendors cannot sell food within 50 feet of a permanent food establishment without written permission.⁸³ In Fremont, no vending is allowed within 200 yards of a city ballfield or swimming pool.⁸⁴ In Lincoln, Kearney, and Scottsbluff, food trucks are not allowed to park on public property.^{85, 86, 87}

Public health requirements. All food trucks must be inspected by the Nebraska Department of Agriculture. Some cities, such as Omaha, Lincoln, and Grand Island, also require a health inspection by the local city or county health department.^{88, 89, 90} Lincoln also requires that any employee who handles food must

have a food manager or food handler permit.⁹¹

Public safety requirements. Background checks are another area of variation. In Bellevue, Kearney, Fremont, and Papillion, the police department must conduct a background check before a permit will be issued.^{92, 93, 94, 95} In Bellevue, Kearney, and Fremont, a permit application will be denied if a person has been convicted of a “crime involving moral turpitude.”^{96, 97, 98}

Finally, some cities have uniquely tailored regulations. In Fremont, permit applicants must submit a completed U.S. Citizenship Attestation Form with their application.⁹⁹ No more than five annual food truck permits per year will be issued in Kearney.¹⁰⁰

The table below compares the types of food truck regulations in Nebraska’s largest communities.

Regulations in Nebraska Cities with Populations >10,000 having Food Trucks

CITY	TYPE OF ORDINANCE	LICENSING and FEE REQUIREMENTS	PUBLIC SPACE RESTRICTIONS	PUBLIC HEALTH REGULATIONS	PUBLIC SAFETY REGULATIONS
Omaha	Food Truck	X	X	X	X
Lincoln	Food Truck	X	X	X	X
Bellevue	Peddlers	X		X	X
Grand Island	Miscellaneous	X		X	
Kearney	Itinerant Merchants, Peddlers, and Solicitors	X	X	X	X
Fremont	Street Vendor	X	X	X	X
Hastings	Miscellaneous	X	X	X	
Norfolk	Itinerant Merchants, Peddlers, Solicitors, Street Vendors, and Temporary Merchants	X	X	X	X
North Platte	City policy		X	X	
Columbus	Vendor	X		X	
Papillion	Mobile Vendors	X	X	X	X
La Vista	Miscellaneous	X			
Scottsbluff	City policy		X		
South Sioux City	Itinerant Vendor	X	X	X	X
Beatrice	None	*			
Lexington	Vendor	X		X	

* Must submit a letter to the City Council for approval

Food Trucks Changing with the Times

While the food truck industry continues to grow, the rate of growth is slowing. Food truck growth for 2019 through 2021 is estimated at 3 percent per year, less than half of the 6.8 percent annual growth rate experienced between 2014 and 2019.^{101, 102}

In part, increased competition and low profit margins are driving the slowdown. Additionally, a number of sources including the National League of Cities (NLC) and the U.S. Chamber of Commerce (USCC) argue that slower growth is a product of burdensome regulatory requirements imposed by states and cities. Both organizations have developed recommendations for state and local policymakers, which they contend will level the playing field for food trucks.^{103, 104}

At the state level, the primary recommendation for reforming food truck regulations is streamlining, creating a single statewide permit system rather than continuing the current practice of having each local jurisdiction issue its own license or permit. This would simplify the licensing process and reduce the associated costs, making it easier for both new business startups and current business owners to conduct business.

At the city level, it is recommended that restrictions limiting the ability of food trucks to vend in public spaces such as parking lots, streets, and sidewalks be loosened. NLC and USCC also find duration restrictions — the amount of time a food truck can



Celebrity Chef Rachael Ray started a food truck for dogs to promote her high-end dog food. The “Woof Wagon” served up doggie delights such as “chicken muttballs” and “chicken paw pie.” Proceeds from food sales were donated to animal welfare organizations.¹⁰⁶

remain in one spot — and proximity bans — how close to businesses or other food trucks a mobile food vendor can operate — especially problematic.

States are beginning to modernize their food truck policies. In 2017, Utah and Maryland were the first states to pass significant state-level regulatory reforms. Arizona, Rhode Island, and Washington followed suit in 2018. In 2019, Colorado and Virginia enacted new food truck regulations and legislation was introduced but not enacted in Nebraska,¹⁰⁵ New Jersey, and Wyoming. The Oklahoma legislature is set to take up a food truck bill in 2020.

The trend among the states that have updated their laws has been to simplify regulations and eliminate redundancy. Arizona, Colorado, Maryland, Utah, Rhode Island, and Virginia have changed application and permitting requirements to allow food

trucks to operate in multiple localities without getting permits or paying application fees in each jurisdiction.

Utah has made some of the most significant changes. In addition to streamlining application and permitting requirements, it prohibits cities from requiring background checks, limiting the number of days a food truck may operate, or prohibiting food trucks from operating where zoning allows other restaurants.

Conclusion

The evolutionary history of food trucks in the United States has been complex and contentious, but food truck entrepreneurs continue to ply their trade in ever greater numbers in cities across the country. Even though industry growth has slowed from its meteoric beginnings, consumer demand remains high and there are still plenty of aspiring potential business owners hoping to be the next food truck super star.

Food trucks offer their customers a wide range of inexpensive, fast, and innovative food choices. They appeal to consumers of all ages, not just because they serve great food, but because of the added satisfaction that comes from supporting small local businesses. They also allow their patrons to get to know the people making their food and to have confidence in knowing where their food comes from.

Food trucks can have a positive impact on local economies. They provide jobs, generate revenue, create new businesses, and provide existing businesses opportunities to expand. Experience suggests that rather than driving food establishments out of business, the presence of food trucks pulls more people in to an area, resulting in benefits for everyone.¹⁰⁷

Groups such as the U.S. Chamber of Commerce and the National League of Cities argue that if the food truck industry is to realize its full potential, states and cities will need to adopt new, well-thought-out regulations that balance the interests of food truck operators, brick-and-mortar businesses, government entities, and the needs and wishes of the public.

Food trucks will not be going away any time soon. The question is, how will policymakers respond to the new regulatory challenges they serve up?



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