



Challenges in Funding & Staffing for the Department of Transportation Under Local Law 195

When the NYC Council passed Local Law 195 (LL195) in 2019, it recognized that the Department of Transportation (DOT) would require significant additional funding to meet the ambitious five-year benchmarks for protected bus lanes, bike lanes, and pedestrian improvements.

Funding Shortfalls & Projected Need (2019 Estimates):

- \$377 million in additional expense funding
- \$252 million in additional capital funding
- \$123 million alone for 150 miles of protected bus lanes

What Actually Happened?

Despite the perception of increased funding, the Department of Transportation (DOT) has not seen a direct boost in resources for **Local Law 195 (LL195) projects**.

- **Operating Budget Growth:** DOT's operating budget increased **28%**, from **\$1.2 billion in FY21 to \$1.5 billion in FY25**. However, this growth largely reflects **citywide spending trends**—such as inflation, COVID-19 stimulus, and labor contracts—rather than targeted investments in LL195 initiatives.
- **Capital Budget Growth:** The capital budget rose **39%**, from **\$1.3 billion in FY21 to \$1.8 billion in FY25**. However, because capital funding fluctuates annually, it's unclear how much of this actually supports **Streets Plan goals**.

Staffing Constraints

DOT has cited staffing shortages as a **barrier to implementing LL195**, IBO's analysis confirms their claim:

- Overall, DOT staffing has **remained flat** from 2019 to 2025.
- Key bus-related work units have seen **no significant headcount** increases since 2019.
- Some staffing units tied to bus projects have declined:
 - Traffic Engineering & Planning: Down **20%** in 2022, recovered in 2024.
 - Design & Construction: Down **21%** since 2019.
- NYC's **2:1 hiring freeze** (allowing only one hire for every two departures) has likely further restricted staffing growth.

Key Takeaway

While DOT's budget has grown alongside broader city spending, funding and staffing for LL195's ambitious mandates have not kept pace. Without targeted investment and strategic hiring, DOT's ability to deliver on the Streets Plan remains severely limited.