



# The Business Case for Child Care

DECEMBER 2025

**Key Takeaways from the 5BORO Institute  
NYC Child Care Summit**

# Background

On Thursday, October 16, 2025, the 5BORO Institute at Citizens Union hosted the **NYC Child Care Summit**, bringing together business, civic, and policy leaders to discuss how to collaboratively tackle child care policy challenges. This half-day event built on nearly two years of work by 5BORO on child care policy following the release of its [landmark child care report](#) in early 2024. 5BORO has been specifically focused on building awareness and engagement within the business community about the need for public investment in child care, and has previously partnered with groups like Tech NYC, the Partnership for New York City, and ABNY to engage their members.

In the lead up to the October 16 event, 5BORO met with dozens of child care advocates, policymakers, business leaders, and membership associations to better understand how child care challenges are negatively impacting New York City's economy and to discuss what opportunities exist for business leaders to play a larger role. To date, the business sector has not been strategically engaged in child care policy work in New York; many identified this as a gap, particularly given that any major new child care investments will likely require new revenue and there is often wariness from policymakers about how revenue raising measures will land with the business community.



# Why Focus on Business?

In other cities and states across the U.S., across the political spectrum, there have been concerted efforts to bring business leaders into child care policy-making. These efforts have led to lasting policy change, and provide a framework for how New York City can begin to think differently about engaging business in child care policy:



In Charlotte, NC, the [Charlotte Executive Leadership Council](#) (CELC) – a group of 31 CEOs in the area – initiated the study report that led the county to ultimately create and fund its universal preschool program, MECK Pre-K. The county now allocates about \$26M to free pre-K, serving about 2,000 four-year-olds with plans to continue scaling the program.



In San Antonio in 2012, then-mayor Julian Castro asked the city's two largest private employers to [chair the task force](#) that ultimately designed the city's public pre-K program, which is funded by a sales tax. Business leaders were an active force [in the program's reauthorization in 2020](#), which required voters to support the ongoing tax. San Antonio's pre-K program, [Pre-K 4 SA](#), is administered by an independent nonprofit, not the city government. The local chambers of commerce are very involved in the program and many Pre-K 4 SA Board seats have been held by business leaders. Pre-K 4 SA has been laser-focused on measuring its [return on investment](#) and successfully demonstrated benefit to children, families, and the economy year-over-year.



Vermont now has the highest ceiling for child care subsidy eligibility in the country; families earning up to 575% FPL are eligible to receive at least some support to pay for child care. The program is funded through a payroll tax – often considered a measure that the business community would oppose – but business leaders and legislators worked together to enact the policy in Vermont, even [pushing back on the governor's proposal to reduce spending](#). Because advocates engaged business leaders early in the process, there was enough shared understanding about the importance and value of the investment in expanding access to care.



In Travis County, Texas, voters [passed a measure](#) this past November to increase taxes to fund additional child care and afterschool slots for the lowest-income children in the county. This measure was championed by a broad coalition including business and labor. The industry body representing restaurant owners was particularly engaged.

# Setting the Stage for Bigger Investment in New York City

The NYC Child Care Summit was initially contemplated in a very different political moment than it was held. When 5BORO began planning the summit in early spring 2025, child care was an emerging hot topic in the contested Democratic primary for mayor, but the outcome of that race was still very unclear. The state budget had just been passed with the last-minute addition of funds to fill a child care funding gap, but with no major expansion to the system. The dynamic significantly changed over the course of several months; just two days before the summit, Governor Kathy Hochul appeared with Democratic mayoral candidate Zohran Mamdani and committed that child care would be an area where the city and state could work together to find solutions. By the time everyone walked into the room for the NYC Child Care Summit, the pressing question was no longer, “should we do something about child care?”; now it was a question of how.

The NYC Child Care Summit drew over 150 people—including business leaders, political leaders, advocates, and philanthropists—to Etsy’s headquarters in Brooklyn to discuss the challenges facing New York City families and child care providers, and what role business can play in changing policy. Speakers included Governor Kathy Hochul, Etsy CEO Josh Silverman, Rep. Dan Goldman, City Comptroller Brad Lander, Robin Hood CEO Rich Buery, senior executives from Accenture, BCG, Deloitte, NewYork-Presbyterian, Synchrony, Tech NYC, and beyond. Guests from the business sector included leaders from Accenture, BCG, Goldman Sachs, JP Morgan Chase, Pfizer, Synchrony, and Two Trees. City, state, and federal policymakers participated in the discussion, alongside leading child care advocates, researchers, and companies driving innovation in the child care sector.

Throughout the day, participants heard the same consistent message: **New York City needs deeper public investments in child care, and the business community has an essential role to play advocating for and building a stronger, more affordable child care system.**

As the Governor said, **“I decided when I first became Governor four years ago that I was going to invest heavily in childcare. No other governor before me had even talked about it.”**



**“But we can’t go it alone,”** she said, given the cost and the financial headwinds the state faces today. As she looked toward her 2026 State of the State address and the opportunity to partner with incoming New York City Mayor Zohran Mamdani on child care, Hochul was stoic about the need to make new commitments. **“Let’s take on that challenge, and the business community will be a great partner for us.”**

# Key Takeaways from the 5BORO Summit

## The current child care system in New York City does not work for anyone.

Families are struggling to find child care and are making tough economic trade-offs to afford it. Child care workers are barely earning a living wage, and providers face a byzantine set of rules and regulations to operate. Our economy suffers as a result, with employers grappling with staff turnover, reduced productivity, and revenue losses.

New Yorkers United for Child Care Executive Director Rebecca Bailing highlighted how families are struggling to find child care and are making tough economic trade-offs to afford it. Child care workers are barely earning a living wage, and providers face a byzantine set of rules and regulations to operate. City Councilmember Jennifer Gutierrez underscored the challenges that these small, minority-and-women-owned businesses face to survive – and what a detriment it is to New York City’s communities when they close. Our economy suffers as a result, with employers grappling with staff turnover, reduced productivity, and revenue losses because of child care gaps.

Tech:NYC President Julie Samuels noted both the challenges facing the tech industry if child care accessibility does not prove - and the role that tech companies can play to push for change. The tech industry is highly portable, which means that the sector only stays in New York and continues to grow if the workforce is here. Child care, more than any other cost - including housing - is what is driving the workforce out of the city.

**“Most people I know in tech, the difference in housing costs is important, but it’s not a deal breaker,”** Tech:NYC President Julie Samuels said. **“But these costs associated with childcare are so big that those numbers are deal breakers, even for what we think of as really good jobs.”**

Samuels urged private sector employees to advocate internally and externally for greater public investment **“We’re on the precipice of getting something done,”** she said. **“I don’t know anyone I work with in this type of work who doesn’t want New York to be a better place for New Yorkers. When we talk about it in that context, I think that’s really the way to get the message across.”**

## **Child care is the backbone of New York City's economy.**

We need accessible, affordable child care to keep families in NYC and in the workforce. Child care is necessary for the operation of essential services and it is critical for New York: first responders, Broadway actors, restaurant chefs – they all need child care. We stand to lose a large swath of our population. Between 2020-2023, the population of children three and under in NYC declined by 19.3% and the majority of families who left were middle-income. Comptroller Brad Lander highlighted striking statistics from [research his office conducted](#) on the costs - and potential benefits - of public investments specifically in child care.

**“I don't think we let business leaders know how many families in their company are benefiting as a result of getting universal pre-K or 3-K or childcare that the city is paying for,”** City Comptroller Brad Lander said. **“We have to do even a little better to connect the dots and help those business leaders understand what they're getting pretty directly.**

## **We need political will and focus in both City Hall and Albany to fix this system.**

Civic and political leaders underscored that political will and focus at City Hall and in Albany will be needed to fix the system, alongside pressure from the business community. Robin Hood CEO Rich Buery, who served as the deputy mayor responsible for pre-K implementation under Mayor de Blasio, reflected on the success of universal pre-k and said it proved that local government can deliver transformative results when it sets big goals.

**“What is powerful and amazing in this moment is that we are having this conversation, seriously, that frankly would have felt impossible 10 or 15 years ago,”** Robin Hood CEO Richard Buery said. **“Every time we deliver big results for the poor and the working people, we make it possible to deliver the next thing.”**

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This pushes the government to act faster and think bigger. Advocacy from business leaders can give policymakers the support they need to make bold investments and tough choices.

New York has an opportunity to follow a successful playbook from places as diverse as Charlotte, North Carolina; San Antonio, Texas; Sonoma County, California; and Vermont. When business leaders are engaged on child care policy, it can lead to transformative public investments. With data, peer-to-peer engagement, and a shared sense of urgency, business leaders can become powerful champions for child care, pushing the government to act faster and think bigger. Advocacy from business leaders can give policymakers the support they need to make bold investments and tough choices.

In Vermont, a group of CEOs championed a new payroll tax to expand child care access, even overcoming a potential veto from their Governor, because they recognized the deep economic imperative. Let's Grow Kids CEO Aly Richards, who led the successful campaign in Vermont, said that once public investment in child care was identified as the solution, the business community became the most effective messengers. The campaign leveraged the strength of business, and "it wasn't just the usual suspects either," she said.



**“We had moderate and conservative business chambers and networks, and people started falling out of their chairs when they came to the statehouse and said ‘Usually we’re here to tell you not to tax us. Today, we’re actually here to tell you to please tax us, specifically us,’”** said Let’s Grow Kids CEO Aly Richards of Vermont. **“And that’s why we passed**

**a .44% payroll tax because they were the great messengers. And that is why we have this law in Vermont because as a business community they actually went and said we need this.”**

**The business community can contribute to the conversation beyond pure advocacy.**

In New York, there are already business leaders who are engaged in improving the city's child care ecosystem, whether by providing physical space for child care centers or building tech innovations to make operations easier for city government and child care providers. **"Real estate has a vested interest in all of this working,"** said real estate developer Josef Goodman. **"We want a growing prosperous city because that's our business, right? We need to constantly be pushing things forward to make this a more affordable, sustainable, prosperous city, because no one wants a half-empty building."**

Business should take an interest in child care because any entity with a vested interest in New York should want it to be a vibrant, livable city. **"Do any of us want to live in a city where children aren't there? This is about something a little bit more fundamental about what makes a city work – what makes places the places you want to be, what makes them rich places, multi generational places,"** said Edie Sharp, a managing director at Accenture.

**However we address the child care crisis in New York City, it will not be a one-size-fits-all solution.**

Rachel Marling, a vice president at NewYork-Presbyterian Hospital said: **"We have people that work 12 hour shifts, we have people that work 10 hour shifts, we have people that start at 7 in the morning and go until 7 or 8 at night...Adding some complexity to that, we also have a workforce that veers largely female, particularly in certain areas of study and practice."**

However, the consequences will be dire if child care access for health care workers does not improve. **"We have a workforce where we quite literally cannot afford to have people opt out,"** Marling said. **"It creates this downstream effect of poor care, and then the community at large suffers. So yes, as an employer, it's scary. But when I think about the impact, the community that we serve, that's where it really starts to become problematic."**

Child care access is essential to growing small businesses and entrepreneurs. **"Our economies only thrive if access and affordability of child care is available to not only employees of big corporate organizations, but also to the self-employed workforce and the small businesses that make our overall economy thrive,"** said Kruti Patel Goyal, President and Chief Growth Officer at Etsy, who will step into the CEO role for the company in January.

**Business leaders are already stepping up; their leadership will help compel others.**

For many businesses, supporting their employees' child care needs has been a no-brainer. Some are now stepping further into the policy arena, recognizing the need for deeper public investment to fill critical gaps in our city's infrastructure. These business leaders and their [demonstrated ROI](#) for child care investments are helping to change the conversation.

Etsy hosted the event because of their belief in the importance of child care; they have been champions for the child care needs of their employees. Further, the experiences of Etsy sellers, who are typically women running their own businesses, has turned Etsy into a champion for child care policy change.



**“I speak as one business leader among many, saying in order for this city to grow and achieve its full potential, we need talent to be willing to stay here as they build families,” said Etsy CEO Josh Silverman. “Lack of access to caregiving is a major break on economic activity in this country. When we want to unleash the power of entrepreneurship and unleash the power of our workforce, we need to give them access to childcare.”**

# Where We Go Next

The group of leaders assembled at the NYC Child Care Summit was in near unanimous agreement: **New York City needs deeper public investments in child care, and the business community has an essential role to play advocating for and building a stronger, more affordable child care system.** Coming out of this summit, 5BORO will be building a formal structure for business leaders to engage in child care policy conversations in New York City. We are at a tipping point for child care in New York City and there is clear opportunity to find solutions together.



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