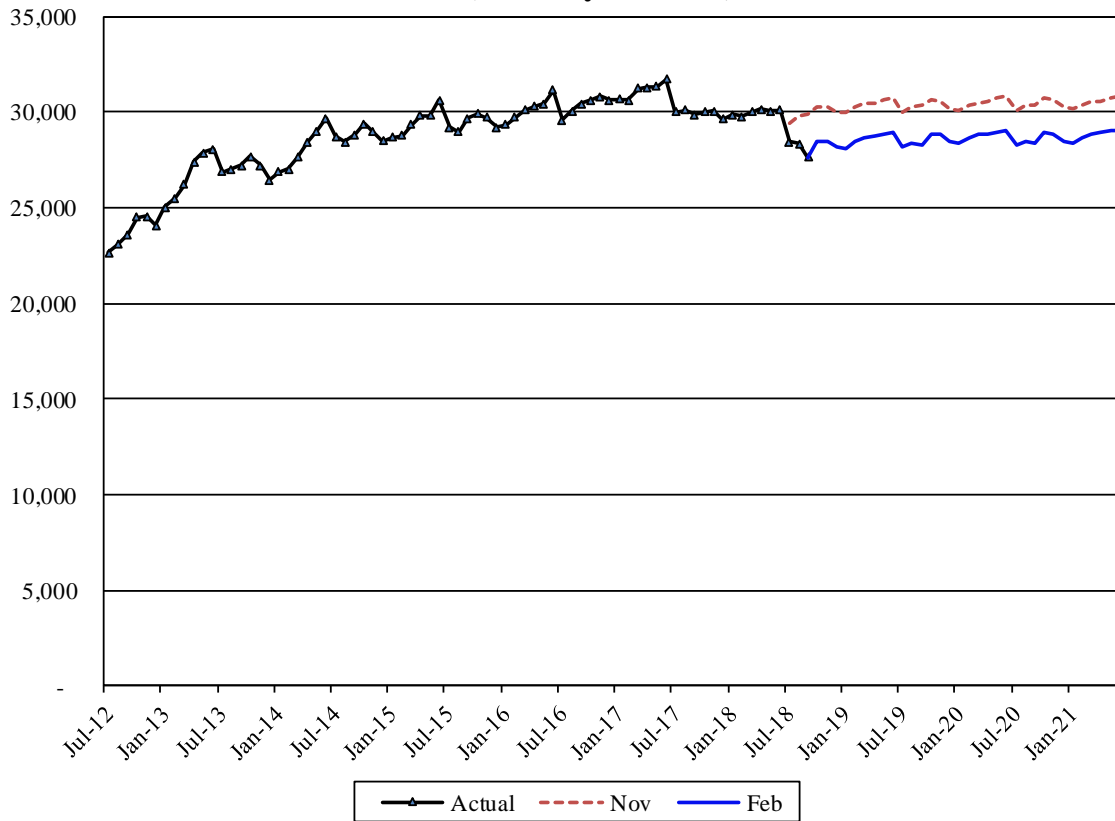


**WCCC – Households Using Subsidized Child Care
(Courtesy Forecast)**



The Working Connections Child Care (WCCC) caseload is made up of households who are working (or formerly working) with incomes of up to 200 percent of the federal poverty level, and recipients (or recent former recipients) of TANF.

Forecast Comparisons (Fiscal Year Averages)

Fiscal Year	Nov-18 Forecast	Feb-19 Forecast	Nov to Feb Difference	Percent Difference
2019	30,199	28,457	-1,742	-5.8%
2020	30,437	28,651	-1,786	-5.9%
2021	30,481	28,703	-1,778	-5.8%

The February 2019 forecast is 1,742 cases or 5.8 percent lower than the November 2018 forecast for FY 2019, and, on average, 1,782 cases or 5.9 percent lower for the 2019-21 Biennium.

Tracking the Current Forecast

	Nov-18			Percent
	Forecast	Actual	Variance	Variance
Jul-18	29,463	28,458	-1,005	-3.4%
Aug-18	29,814	28,352	-1,462	-4.9%
Sep-18	29,890	27,637	-2,253	-7.5%

Actuals have been tracking, on average, 1,573 cases or 5.3 percent below the November 2018 forecast. Applications have dropped while exits from the program have increased since June 2018.

Fiscal Year Caseload Change

	Fiscal		Change from	Percent
	Year	Caseload	Prior Year	Change
Actual	2013	25,221		
	2014	27,605	2,383	9.4%
	2015	29,175	1,570	5.7%
	2016	29,828	653	2.2%
	2017	30,767	939	3.1%
	2018	29,989	-777	-2.5%
Forecast	2019	28,457	-1,532	-5.1%
	2020	28,651	194	0.7%
	2021	28,703	52	0.2%

This forecast does not include any step adjustments for impacts of the minimum wage under Initiative 1433. Increased minimum wages might reduce WCCC caseloads. Such impacts could be delayed for months under rules that allow extended eligibility for households whose incomes rise above 200 percent of FPL. It is also possible that households could reduce work hours in order to maintain eligibility. As a result, the possible impact of the minimum wage increase is a risk to the forecast.

Risks to the Forecast

Risks to the forecast are moderate. The forecast does not trend downwards, so it may not capture the full impact of reduced demand for the program if demand has not hit the floor in September 2018.