

Resource: Legal and Insurance Considerations

Starting a business will require you to think about legal and insurance issues to make sure you are covered in case of an accident or injury. Your local [Child Care Resource and Referral \(CCR&R\)](#) agency or your local or [state child care licensing office](#) will be able to help you think through some of these considerations. Also, you may want to consult a lawyer and a tax professional before you start your family child care business.

Legal Considerations

	Yes	No	Comments
Have you consulted a lawyer to help set up the legal structure of your business?			
Have you decided on a business structure? Sole proprietor (self-employed) Partnership Limited Liability Company (LLC) Corporation			
Do you have knowledge and previous experience to run a child care business?			
Do you know where to go to for training or help in running your child care business?			
Are you comfortable working with licensing requirements and government regulations pertaining to child care?			
Do you have the time to learn the skills you need or are you willing to hire people with different skill sets that you need to have a successful child care business?			

Legal and Insurance Considerations *continued*

Insurance Considerations

	Yes	No	Comments
Have you obtained at least two quotes from insurance agents that represent different insurance companies for comparison?			
Have you talked to your state licensing agency or your local Child Care Resource and Referral agency to understand what insurance coverage you might need?			
Have you checked to see if your existing home-owner's policy will cover you after you start your business?			
Have you purchased business liability insurance, which should include general liability and property insurance?			
Have you purchased professional liability insurance and does this insurance cover you if one of your employees or others with access to the children in your program abused a child in your care?			
If you are providing transportation, have you purchased commercial automobile coverage?			
If you have employees, have you purchased worker's compensation insurance?			