Most common regulatory issues faced by edupreneurs

- Entity formation
- Business licensing
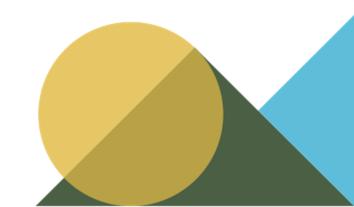- Zoning
- Fire Code/Building Code
- Child care

Business Formation

Nonprofit or for-profit

1. Nonprofit (aka nonstock corporations)
   - Form domestic (VA) nonprofit corporation
   - May seek 501(c)(3) tax-exempt recognition from the IRS

   - Donations are tax-deductible

2. For-profit
   - Form one of many entities including corporation, limited liability company, partnership, sole proprietorship

- File organizational documents with the Virginia State Corporation Commission (https://www.scc.virginia.gov/pages/Home)

Business Licensing

- Applying for a business license is required at the local level

- Sometimes, nonprofit organizations are exempted from the requirement or at least payment of the licensing fee.

- The process may trigger a zoning review and/or fire inspection.

Zoning

- Local counties or municipalities pass zoning codes.
- If a use is not permitted, a special use permit is usually required.
- Often, a Certificate of Zoning Compliance is required, which triggers a zoning review.
- Zoning codes often regulate home-based businesses.
- HOA restrictions are similar and may apply

Fire Code and Construction Code

- Fire and construction (aka building) codes are interlaced as construction code requirements inform fire code requirements.

- Virginia has adopted statewide codes and has delegated enforcement to local governments.

- Educational occupancy is defined by six or more persons at any one time for educational purposes through the 12th grade.

- There are heightened requirements for educational occupancies (e.g., automatic sprinkler systems and fire panels).

- Edupreneurs should contact their local fire marshal's office

Child care

- A child day program is a regularly operating service arrangement for children where, during the absence of a parent or guardian, a person or organization has agreed to assume responsibility for the supervision, protection and well-being of a child under the age of 13 years for less than a 24-hour period.
  - Child day centers (nonresidential care or for more than 12 children in a residence)
  - Family day home (in residence for up to 12 children)

- Child day programs must be licensed unless there is an applicable exemption.

- Exemptions can be found at https://www.childcare.virginia.gov/providers/program-types/exempt-filing and include:
  - Programs at private schools that meet compulsory attendance requirements
  - Religiously exempt programs
  - Programs where, by written policy given to and signed by a parent or guardian, school-age children are free to enter and leave the premises without permission
  - Additional exemptions exist but have limitations that preclude many learning environments to operate as desired.

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Edupreneur Support

Free legal support for education entrepreneurs starting and growing unconventional learning environments that serve the unique needs of families and children.

Knowledge

Confidence

Personalized consultation

Our legal team helps education entrepreneurs confidently overcome legal uncertainty and regulatory obstacles.

EDUCATION LAWS

Compulsory attendance
Private school laws
Homeschool laws

SITE-RELATED

Fire, health, safety
Zoning
Childcare regulations

BUSINESS FORMATION

Nonprofit, for-profit
Organization type
Employee classification

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SUBMIT A REQUEST TO THE YES LEGAL TEAM

Browse the Edupreneur Support Program (ESP) Knowledge Base

FAQs

Learn how to navigate the ESP

ESP Activities

Stay up to date on in-person and online events to be attended by members of the ESP team

General Content Toolbox

State Specific Toolbox

Find articles and videos applicable to the state or territory where your learning environment is located