



## **Accessing Emergency Capital - Nevada Banking Industry Webinar Frequently Asked Questions (FAQs)**

Summary of Webinar  
March 27, 2020

**Will personal guarantees and collateral no longer be required for small business assistance?** The payroll protection portion is supposed to not require any guarantee or collateral.

**What options are available if you are in a business partnership?** Each situation is unique; overarching theme for support is to contact the bank directly, as there may be other options beyond SBA loans including emergency loans and lines of credit that may be available.

**Do these loans apply to foreign-owned businesses?** No, they are not eligible under this program. The businesses must be American-owned to be eligible for loan consideration.

**If someone has started the loan process online, do they need to resubmit?** The application can be switched; the old SBA loan can be paid off and switched to the newer loans.

**If there is no depository relationship with the financial institution, is it too late to establish one to be considered for options now?** Ask, but most banks are there to offer support to new customers now because of this unique situation. Please contact the bank directly.

**Is there loan forgiveness available from the banks?** Mortgage - suspension of residential property foreclosures, 90-day suspensions, post 90-day reassessments, depending on financial institution. Please contact your bank directly for specific options and programs.

**What information may I have to provide for these loans?** You should be prepared to submit financial info, including current burn rate, and how much you need to be able to hire employees back.

**If I am self-employed and have no employees, am I eligible?** The intent is to have the definition expanded to include self-employed and independent contractors. SBA disaster loans are available to self-employed and nonprofits as well because of COVID-19.

**Is there a cap on this loan?** Yes, there is \$10 million limit, initial approval amount based on 2.5 months of payroll for an average 1-year period.

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**Is this for W-2 employees only?** This looks like W-2 only for now; 1099s should be able to apply for themselves.

**Does this apply to new businesses?** It appears that you will need to have payroll as of Feb. 17, 2020 to be eligible to apply.

**Can I switch to the payroll protection program?** If you want to switch to payroll protection program, banks can switch it over later.

**If a company is currently meeting payroll, can it still apply in anticipation of losing revenue which may impact its ability to meet payroll obligations?** Yes, they are eligible; banks encourage all small business owners with concerns to contact their bank.

**How will the payroll relief amount will be calculated?** The amount for payroll relief will be a monthly average. For example, if you've only been open eight months, they will divide by eight months and not 12 months.

**Does furloughing disqualify from loan eligibility?** The loan is based on rehiring of employees; furloughed employees do not disqualify you.

**Are credit unions able to assist these programs?** Yes, you will have to go through SBA to get approval; that process is being broadened right now to have more institutions approved. Please contact your local credit union for more information.

**Are lease payments and rent covered in new payroll protection program?** You should discuss this directly with your bank. Landlords with mortgage should also reach out to their banks and see if deferments are available.

**I am a landlord who has loan obligations to my bank; what if my tenants are unable to pay their rent?** If a tenant is asking for rent abatement, ask for similar information as the banks are asking for; try to look at deferred payment options, fee waivers and such. Direct tenants to their bank for available assistance.

**Where can I find a list of banks that are members of the Vegas Chamber?** You can access that link at <https://www.vegashamber.com/member-banks/>

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