

Second Chance Checking Accounts Across the U.S.

Second chance checking is an option if you've been rejected for an account due to a bad banking history. Accounts are available in all 50 states.

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If you've ever been turned down for a checking account because of past banking issues — such as an account closed due to unpaid overdraft fees — second chance checking could offer you another shot at banking.

What is second chance checking?

Serious banking issues can put you on a list held by consumer reporting agency ChexSystems. Banks look at it or similar sources before approving new accounts — and having a flawed banking history from bounced checks, unpaid fees, or account closures makes it less likely you'll be approved.

"Second chance checking accounts can help people rebuild their banking histories, but they don't have all the services that come with regular checking accounts."

Some banks and credit unions offer "second chance" checking accounts for people in this situation. The accounts can help people rebuild their banking histories, but they don't have all the services that come with regular checking accounts.

What are the pros and cons of second chance checking?

Second chance checking accounts usually have monthly fees that can't be waived, and they often carry more requirements than standard checking accounts, such as setting up direct deposit or completing a money management class. You typically can't enroll in an overdraft program, since the point of a second chance account is to demonstrate that you can avoid overdrawning.

These checking accounts can help improve banking history, but they don't rebuild credit. For that, consider a secured credit card.

"Despite their limitations, second chance checking accounts often beat alternatives, such as prepaid debit cards or check-cashing services."

Despite their limitations, second chance checking accounts often beat alternatives, such as prepaid debit cards or check-cashing services. These can come with costly transaction fees and balance requirements, and may also lack convenient features like online banking.

If you can avoid negative balances or fees, many second chance checking accounts let you upgrade to a regular checking within six months to a year.

Picking a second chance checking account

The best second chance accounts come with:

- Low or no monthly fees.
- No minimum balance requirements.
- Services such as debit card access, online bill pay and unlimited check writing privileges — for free.
- Few limits, such as daily or monthly maximum transaction amounts.

Not all second chance checking accounts have these features. Some charge monthly fees as high as \$20 and don't issue debit cards or checks to account holders. Check the fees and requirements before applying.

National second chance banking

A few banks and financial companies backed by banks offer second chance checking nationwide:

- [Chime](#) (account name: Spending Account, available online)
- [Green Dot Bank](#) (account name: GoBank, available online and at Walmart stores).
- [LendingClub](#) (account name: Essential Checking, available online).
- [Varo](#) (account name: Bank Account, available online)
- [Wells Fargo](#) (account name: Clear Access Banking, available in 39 states and Washington, D.C.).

Most major banks don't offer second chance checking, but many community banks and credit unions have them under various names, such as Opportunity Checking and Fresh Start Checking.

If you can't find one in the lists below, see if your community participates in a Bank On program. This is an initiative many communities have joined that lets city governments and local banks work together to serve those who are trying to get back into the banking system. Another option is to consider a prepaid debit card with robust services and few fees.

<https://www.nerdwallet.com/article/banking/second-chance-checking>